

Appropriations Committee

Budget Recommendations



Mid-Biennium Budget Adjustments

FY2011-12 and FY2012-13

March 2012

Members of the Appropriations Committee

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HIGHLIGHTS

General Fund Financial Status

The financial status since Sine Die of the 2011 Legislative Session has been a continuing ebb and flow of positives and negatives. At Sine Die, the variance from the minimum General Fund reserve (commonly referred to as the surplus or shortfall) was predicted to be only \$3.2 million. The current estimate is a positive \$17.6 million.

Since Sine Die 2011, actual and projected revenues have increased by \$176 million. Actual receipts for FY2010-11 were \$62.7 million above forecast. In October 2011, the FY11-12 and FY12-13 forecasts were revised by the Nebraska Economic Forecast Advisory Board (NEFAB) by a total of \$113.3 million; \$51.9 million in FY11-12 and \$61.4 million in FY12-13. These forecasts remained unchanged when the NEFAB met again in February 2012. The FY10-11 and FY11-12 additional revenues are considered “above the certified forecast” and under current law are required to be transferred to the Cash Reserve Fund. The FY12-13 forecast won’t be certified until the start of that fiscal year, therefore the \$61.4 million increase in the forecast for FY11-12 is retained in the General Fund.

The increased forecast amounts not transferred to the Cash Reserve Fund were mostly translated into a more positive variance from the minimum reserve in the Committee preliminary budget. At that time, increases in state funds for child care and Medicaid (due to a lower federal Medicaid match rate) were offset by a decrease in the previous estimate for FY2012-13 TEEOSA school aid as estimated in October. At the preliminary budget stage, the projected financial status was \$63 million above the minimum reserve.

This \$63 million positive variance was reduced to the current \$17.6 million level primarily with funding of five items: \$7.2 million back into TEEOSA aid based on the Dept. of Education calculation of aid in February, \$17 million for child welfare shortfalls, \$9.7 million to restore 1.5% of the 2.5% cut made in Medicaid provider rates in FY12, \$6.1 million for the IANR veterinarian diagnostic center, and \$4 million to help reduce the developmental disability waiting list.

While the current FY12/FY13 biennial budget is balanced at the present time, the prospects for the following biennium financial status are at best pessimistic. The current financial status (with the Committee proposed budget adjustments) yields a projected balance that is \$461 million below the minimum reserve at the end of the next biennium. A \$48 million positive structural balance in FY2012-13 between revenues and spending turns into a \$195 million structural imbalance in FY13-14. This is the result of below average revenue growth, higher

spending growth (especially in TEEOSA school aid with expiration of some of the changes made in LB235 last session) and initial implementation of LB84 (2011) which diverts the equivalent of ¼% sales tax to highway funding (approximately \$70 million per year). This structural imbalance expands in FY14-15 as projected spending growth again exceeds below average revenue growth.

General Fund Budget Adjustments

The Appropriations Committee proposed adjustments increase General Fund appropriations by \$41 million over the two year period. About 93% of this overall increase is in eleven items shown below. A more complete listing of all General Fund items can be found in Table 8 on page 19 and a narrative description of these items starts on page 21.

| Major General Fund Changes | FY2011-12 | FY2012-13 | 2 Yr Total |
|---|-------------------|-------------------|-------------------|
| Child Care Deficit | 12,000,000 | 12,000,000 | 24,000,000 |
| Child welfare shortfall | 1,500,000 | 17,017,346 | 18,517,346 |
| Lower 2013 Fed Medicaid Match Rate | 0 | 12,429,338 | 12,429,338 |
| Partial restoration of provider rate cut - Medicaid | 0 | 9,660,143 | 9,660,143 |
| Governors Emergency program | 8,900,000 | 0 | 8,900,000 |
| University - IANR Veterinary Diagnostic Center (bond payment) | 0 | 6,093,000 | 6,093,000 |
| Developmental disability, waiting list aid (LB 901) | 0 | 4,000,000 | 4,000,000 |
| Child Support Incentive Federal Match Change | 0 | 2,630,843 | 2,630,843 |
| TEEOSA state aid, adjust to NDE current law estimates | 0 | (27,574,876) | (27,574,876) |
| Homestead Exemption | (4,200,000) | (5,200,000) | (9,400,000) |
| Revised program cost estimates, DHHS programs | (5,250,000) | (5,950,000) | (11,200,000) |
| All Other | 822,751 | 2,138,805 | 2,961,556 |
| Total Change in GF Appropriations | 13,772,751 | 27,244,599 | 41,017,350 |

General Fund Revenue Forecasts

Revenue estimates for FY2011-12 and FY2012-13 are the February 2012 forecasts from the Nebraska Economic Forecast Advisory Board (NEFAB). These forecasts yield a projected adjusted revenue growth of 4.1% in FY11-12 and 3.8% in FY12-13, an average growth of 3.9%, below the 5% historical average.

For the following biennium or what's commonly referred to as the "out years", the preliminary estimates for FY2013-14 and FY2014-15 are prepared by the Legislative Fiscal Office (LFO) using the "capped" historical average methodology. This "smoothing" technique derives a revenue growth for the "out years" by calculating the level of revenues that would yield a five year average growth (FY10 to FY15) roughly equal to the historical average from FY81 to FY11 (5.0%). Under this method, revenue growth for the two years would average 3.6%. Even with the low growth in the NEFAB forecasts, these out year growth numbers are low due to the 9.4% growth experienced in FY2010-11. The projected numbers for FY2013-14 and FY2014-15 also

reflect initial implementation of LB84 (2011) which diverts the equivalent of ¼% sales tax to highway funding (approximately \$70 million per year).

Cash Reserve Fund

In February 2012 state attorneys general from 49 states and the federal government reached agreement on a joint state-federal settlement with the country's five largest loan servicers. Nebraska's share of the settlement is estimated at \$8.4 million and is scheduled to be credited to the Cash Reserve Fund.

The Appropriations Committee preliminary budget includes \$81 million of transfers from the Cash Reserve Fund (CRF). There is a \$1 million transfer to the Affordable Housing Trust Fund, a portion of the national mortgage settlement funds credited to the CRF. The second transfer is \$80 million to the Nebraska Capital Construction Fund for five different construction projects. This includes \$79.2 million for higher education projects and \$800,000 for the Centennial Mall project in Lincoln. A description of these projects can be found starting on page 32.

Even with the use of these funds, the unobligated ending balance for the Cash Reserve Fund is projected at \$341.2 million which is still \$42 million higher than was projected at the end of the 2011 legislative session.

Note that the Committee limited its use of CRF monies to these one-time construction items so that the use of these funds did not compound the shortfall already projected in the following biennium based on current law. This was the reason why the on-going bond payment for the veterinarian diagnostic center project was financed with General Funds, on-going obligations financed with an on-going revenue source.

TEEOSA School Aid

The Appropriations Committee proposal includes TEEOSA aid funding at a total of \$852.1 million for FY2012-13. This is based on the current TEEOSA law and reflects the state aid calculated and presented by the Department of Education (NDE) in February 2012. This \$852.1 million aid level is \$27.3 million less than the \$879.4 million estimated at the end of the 2011 legislative session and funded in the originally enacted FY2012-13 budget.

In the following biennium, half of the total projected budget increase is TEEOSA school aid as projected under the current law. General Funds for TEEOSA school aid is projected to increase by 20.8% in FY14 and 8.7% in FY15. About 70% of the projected increase in TEEOSA can be attributed to the expiration of certain provisions of LB235 passed in the 2011 Session which lowered the aid amounts for the current biennium (FY11-12 and FY12-13).

Child Welfare

The Appropriations Committee proposed budget includes General Funds of \$20.1 million in FY2011-12 and \$17 million in FY2012-13 to cover shortfalls in the child welfare system and additional staff to lower caseloads. The first year amount is financed with reallocation of unused funds in other budget program and results in no net increase in General Fund appropriations. The \$17 million amount in FY2012-13 however is a new General Fund appropriation. A more detailed description of this deficit can be found starting on page 24.

Higher Education Construction Projects

As noted under the Cash Reserve Fund section, the Appropriations Committee included \$79.2 million of transfers from the Cash Reserve Fund to the Nebraska Capital Construction Fund (NCCF) to finance four different University and State College construction projects. In addition, the committee proposal includes an annual General Fund appropriation of \$6.1 million per year for ten years for the design and construction of a facility to replace the existing Veterinary Diagnostic Center at the University of Nebraska Institute of Agriculture and Natural Resources School of Veterinary Medicine and Biomedical Sciences.

| | | |
|--|------------|---------|
| State Colleges - Chadron Armstrong Gym | 6,700,000 | NCCF |
| State Colleges - Peru Oak Bowl improvements | 7,500,000 | NCCF |
| University of Nebraska - UNK Allied Health | 15,000,000 | NCCF |
| University of Nebraska - UNMC Cancer Research tower | 50,000,000 | NCCF |
| University of Nebraska – IANR Veterinarian Diagnostic Center | 6,093,000 | General |

General Fund Financial Status

| | Current Yr FY2010-11 | Biennial Budget FY2011-12 FY2012-13 | | Est for Following Biennium FY2013-14 FY2014-15 | |
|-----------------------------|-------------------------|---|-------------------|--|----------------------|
| 1 Beginning Balance | | | | | |
| 2 | \$296,986,417 | \$502,306,328 | \$178,558,859 | \$238,282,081 | \$38,575,837 |
| 3 | 0 | (145,155,092) | (51,901,000) | 0 | 0 |
| 4 | 0 | (230,644,959) | 0 | 0 | 0 |
| 5 | 0 | 1,500,000 | 0 | 0 | 0 |
| 6 | 0 | 0 | (5,000,000) | (5,000,000) | (5,000,000) |
| 7 | 296,986,417 | 128,006,277 | 121,657,859 | 233,282,081 | 33,575,837 |
| 8 Estimated Receipts | | | | | |
| 9 | 3,493,743,977 | 3,643,000,000 | 3,780,000,000 | 3,870,000,000 | 4,020,000,000 |
| 10 | (120,725,000) | (144,600,000) | (113,300,000) | (118,800,000) | (118,800,000) |
| 11 | | in receipts | in forecast | in forecast | in forecast |
| 12 | 154,000,000 | 37,000,000 | 68,000,000 | 0 | 0 |
| 13 | 0 | 0 | 0 | 0 | 0 |
| 14 | 0 | 0 | 0 | 0 | 0 |
| 15 | 3,527,018,977 | 3,535,400,000 | 3,734,700,000 | 3,751,200,000 | 3,901,200,000 |
| 16 Appropriations | | | | | |
| 17 | 3,321,699,066 | 3,470,531,929 | 3,590,831,179 | 3,811,881,176 | 3,979,622,496 |
| 18 | 0 | 13,772,751 | 27,244,599 | 134,025,068 | 186,031,359 |
| 19 | 0 | 542,738 | 0 | 0 | 0 |
| 20 | 0 | 0 | 0 | 0 | 0 |
| 21 | 0 | 0 | 0 | 0 | 0 |
| 22 | 0 | 0 | 0 | 0 | 0 |
| 23 | 0 | 0 | 0 | 0 | 0 |
| 24 | 0 | 0 | 0 | 0 | 0 |
| 25 | 0 | 0 | 0 | 0 | 0 |
| 26 | 3,321,699,066 | 3,484,847,418 | 3,618,075,778 | 3,945,906,244 | 4,165,653,855 |
| 27 Ending Balance | | | | | |
| 28 | 502,306,328 | 178,558,859 | 238,282,081 | 38,575,837 | (230,878,018) |
| 29 | -- | -- | 220,641,269 | -- | 229,825,692 |
| 30 | -- | -- | 17,640,812 | -- | (460,703,710) |
| 31 | -- | -- | 3.2% | -- | -2.8% |
| 32 | 2.4% | 1.9% | 4.3% | 9.1% | 5.6% |
| 33 | -1.1% | -- | 3.1% | -- | 7.3% |
| 34 | 9.4% | 4.1% | 3.8% | 3.6% | 3.6% |
| 35 | 2.3% | -- | 3.9% | -- | 3.6% |

| CASH RESERVE FUND | FY2010-11 | FY2011-12 | FY2012-13 | FY2013-14 | FY2014-15 |
|---|---------------|--------------|--------------|-------------|-------------|
| Beginning Balance | 467,201,626 | 313,201,626 | 434,058,718 | 341,208,718 | 341,208,718 |
| Transfer amounts above forecasts (line 3) | 0 | 145,155,092 | 51,901,000 | 0 | 0 |
| To/from Gen Fund per current law | (154,000,000) | (37,000,000) | (68,000,000) | 0 | 0 |
| To/From Water Contingency Cash Fund | 0 | 4,302,000 | 4,249,000 | 0 | 0 |
| National mortgage settlement (estimated) | 0 | 8,400,000 | 0 | 0 | 0 |
| LB 131 To Affordable Housing Trust fund | 0 | 0 | (1,000,000) | 0 | 0 |
| LB 131 To Nebr Capital Construction Fund (NCCF) | 0 | 0 | (80,000,000) | 0 | 0 |
| Projected Ending Balance | 313,201,626 | 434,058,718 | 341,208,718 | 341,208,718 | 341,208,718 |

Chronology of the General Fund Financial Status

(Shows impact of individual Items and then the subsequent variance from the minimum reserve)

| Millions of Dollars | Current Biennium | | | Following Biennium | | |
|---|------------------|--------|--------------|--------------------|--------|----------------|
| | FY12 | FY13 | 3 Yr Total | FY14 | FY15 | 5 Yr Total |
| FY11 Actual vs Est General Fund Net Receipts | 0.0 | 0.0 | 62.7 | 0.0 | 0.0 | 62.7 |
| FY11 Actual vs Est CRF transfers-automatic | (62.7) | 0.0 | (62.7) | 0.0 | 0.0 | (62.7) |
| FY11 Actual vs Est Accounting adjustment | 0.0 | 0.0 | (5.9) | 0.0 | 0.0 | (5.9) |
| Change in Minimum Reserve | 0.0 | (6.7) | (6.7) | 0.0 | 6.9 | 0.2 |
| July 2011 Tax Rate Review Committee | | | (9.4) | | | (251.0) |
| Revenue Forecasts (revised Oct 2011) | 51.9 | 61.4 | 113.3 | 31.3 | 0.0 | 144.6 |
| "Above certified" FY12 forecast to CRF | 0.0 | (51.9) | (51.9) | 0.0 | 0.0 | (51.9) |
| Lapse of FY10-11 appropriations | 4.6 | 0.0 | 4.6 | 0.0 | 0.0 | 4.6 |
| Exclude allocation for deficits | 5.0 | 0.0 | 5.0 | 0.0 | 0.0 | 5.0 |
| 2012 Mid-biennium Budget Requests | (22.2) | (25.9) | (48.1) | (25.9) | (25.9) | (99.9) |
| TEEOSA School Aid (October 2011 est) | 0.0 | 50.7 | 50.7 | (48.6) | (97.3) | (95.1) |
| Change in Minimum Reserve | 0.0 | (1.8) | (1.8) | 0.0 | (1.1) | (3.1) |
| Nov 2011 Tax Rate Review Committee | | | 62.5 | | | (346.7) |
| Special session costs and environmental study | 0.0 | (2.1) | (2.1) | 0.0 | 0.0 | (2.1) |
| Revised requests; homestead, Gov Emerg program | 7.6 | 5.2 | 12.8 | 5.2 | 5.2 | 23.2 |
| Retirement - actuarially required contribution | 0.0 | (23.3) | (23.3) | 0.0 | 0.0 | (23.3) |
| TEEOSA School Aid revisions (Dec 2011 AFR) | 0.0 | (15.5) | (15.5) | (31.6) | (34.6) | (81.7) |
| Change in Minimum Reserve | 0.0 | 0.0 | 0.0 | 0.0 | 0.7 | 0.7 |
| Start of 2012 Session | | | 34.3 | | | (429.9) |
| Committee Prelim vs Request (as revised) | 2.7 | 3.3 | 6.1 | 3.3 | 3.3 | 12.8 |
| Actuarially required contribution, not necessary | 0.0 | 23.3 | 23.3 | 0.0 | 0.0 | 23.3 |
| Revise out year retirement est, Buck 2011 report | 0.0 | 0.0 | 0.0 | 34.7 | 17.2 | 51.9 |
| State Claims (approved claims, original LB 1072) | (0.5) | 0.0 | (0.5) | 0.0 | 0.0 | (0.5) |
| Change in Minimum Reserve | 0.0 | 0.0 | 0.0 | 0.0 | (0.8) | (0.8) |
| Committee Preliminary Budget | | | 63.2 | | | (343.2) |
| Revenue Forecasts (no NEFAB change, Feb 2012) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| TEEOSA school aid revisions, to NDE Feb estimate | 0.0 | (7.6) | (7.6) | 0.8 | 0.6 | (6.2) |
| Child welfare shortfall (net of lapse) | 0.0 | (17.0) | (17.0) | (17.0) | (17.0) | (51.1) |
| Partial restoration of provider rate cut - Medicaid | 0.0 | (9.7) | (9.7) | (9.7) | (9.7) | (29.0) |
| IANR Veterinary Diagnostic Center (bond payment) | 0.0 | (6.1) | (6.1) | (6.1) | (6.1) | (18.3) |
| Developmental disability, waiting list aid (LB 901) | 0.0 | (4.0) | (4.0) | (4.0) | (4.0) | (12.0) |
| All Other appropriation changes | (0.4) | (0.7) | (1.1) | (0.6) | (0.6) | (2.3) |
| Change in Minimum Reserve | 0.0 | 0.0 | 0.0 | 0.0 | 1.3 | 1.3 |
| Committee Budget to the Floor | | | 17.6 | | | (460.6) |

Cash Reserve Fund

The Cash Reserve Fund unobligated balance at the end of this biennium is projected at \$413.8 million. This is based on all existing statutory transfers and assumes repayment of \$8.5 million transferred to the Water Contingency Fund in FY2007-08 (repayment in two installments shown in both FY12 and FY13).

Table 1 Cash Reserve Fund

| | Actual FY2010-11 | Estimated FY2011-12 | Estimated FY2012-13 | Estimated FY2013-14 | Estimated FY2014-15 |
|--|---------------------|------------------------|------------------------|------------------------|------------------------|
| Beginning Balance | 467,201,626 | 313,201,626 | 434,058,718 | 341,208,718 | 341,208,718 |
| Excess of certified forecasts (line 3 in Status) | 0 | 145,155,092 | 51,901,000 | 0 | 0 |
| To/from Gen Fund, per current law | (154,000,000) | (37,000,000) | (68,000,000) | 0 | 0 |
| To/From Water Contingency Cash Fund | 0 | 4,302,000 | 4,249,000 | 0 | 0 |
| National mortgage settlement (estimated) | 0 | 8,400,000 | 0 | 0 | 0 |
| LB 131 To Affordable Housing Trust fund | 0 | 0 | (1,000,000) | 0 | 0 |
| LB 131 To Nebr Capital Construction Fund | 0 | 0 | (80,000,000) | 0 | 0 |
| Ending Balance | 313,201,626 | 434,058,718 | 341,208,718 | 341,208,718 | 341,208,718 |

Excess of Certified Forecasts

Shown on line 3 of the Financial Status, revenues in excess of "certified" forecasts are required by statute to be transferred from the General Fund to the Cash Reserve Fund. These would take place in July of the fiscal year following completion of that year. The \$145,155,092 transfer in FY12 reflects the amount the FY2010-11 actual receipts were above certified. The \$51.9 million in FY13 reflects the amount that the NEFAB forecast in October 2011 for FY11-12 exceeds the July certified level and is just an estimate not an actual amount.

Transfers-To & From General Fund – Current Law

Unlike the automatic transfers that occur after the close of the fiscal year and are statutorily required, other transfers can take place as specifically enacted by the Legislature. Transfers in FY2010-11 under existing law include LB 456-2009 (\$151,000,000) and LB317-2010 (3,000,000). The budget enacted in the 2011 Session utilized \$105 million of Cash Reserve Fund transfers to the General fund to assist in balancing the budget, \$37 million in FY11-12 and \$68 million in FY12-13.

Transfers To & From Other Funds – Current Law

In the 2008 session, LB1094 provided for a \$9 million transfer to the Water Contingency Cash Fund for the purpose of paying water right holders who agreed to lease and forgo water use to assist in the management, protection and conservation of the water resources of river basins,

but remain unpaid due to litigation. Repayment by the NRD receiving said funds is required once the litigation is resolved no later than FY2012-13. The actual amount used was \$8.5 million and is being repaid over two years, \$4.3 million in FY11-12 and \$4.2 million in FY12-13.

National Mortgage Settlement

In February 2012 state attorneys general from 49 states and the federal government reached agreement on a joint state-federal settlement with the country's five largest loan servicers, Ally/GMAC, Bank of America, Citi, JPMorgan Chase, and Wells Fargo. The agreement settles state and federal investigations into loan servicer law violations. Nebraska's share of the settlement is estimated at \$8.4 million and is scheduled to be credited to the Cash Reserve Fund.

Appropriations Committee Proposal

The Appropriations Committee proposal includes two transfers. The first is a \$1 million transfer to the Affordable Housing Trust Fund, a portion of the amount to be credited from the National Mortgage Settlement. The second is an \$80 million transfer to the Nebraska Capital Construction Fund (NCCF) for five different capital construction projects as shown below. A description of these projects can be found starting on page 32.

| | |
|---|------------|
| State Colleges - Chadron Armstrong Gym | 6,700,000 |
| State Colleges - Peru Oak Bowl improvements | 7,500,000 |
| University of Nebraska - UNK Allied Health | 15,000,000 |
| University of Nebraska - UNMC Cancer Research tower | 50,000,000 |
| DAS - Centennial Mall project | 800,000 |

Table 2 Cash Reserve Fund – Historical Balances

| Fiscal Yr | Beginning Balance | Direct Deposit and Interest | Legislative Transfers | Cash Flow | Automatic Transfers | Ending Balance | Balance as % of revenues |
|-----------|-------------------|-----------------------------|-----------------------|-----------|---------------------|----------------|--------------------------|
| FY1983-84 | 0 | 37,046,760 | 0 | 0 | 0 | 37,046,760 | 4.7% |
| FY1984-85 | 37,046,760 | (1,472,551) | 0 | 0 | 0 | 35,574,209 | 4.5% |
| FY1985-86 | 35,574,209 | 227,855 | (13,500,000) | 0 | 0 | 22,302,064 | 2.7% |
| FY1986-87 | 22,302,064 | 1,428,021 | 0 | 0 | 0 | 23,730,085 | 2.7% |
| FY1987-88 | 23,730,085 | 1,654,844 | (7,700,000) | 0 | 0 | 17,684,929 | 1.7% |
| FY1988-89 | 17,684,929 | 139,000 | 32,600,000 | 0 | 0 | 50,423,929 | 4.4% |
| FY1989-90 | 50,423,929 | 113,114 | (10,500,000) | 0 | 0 | 40,037,043 | 3.5% |
| FY1990-91 | 40,037,043 | 0 | (8,100,000) | 0 | 0 | 31,937,043 | 2.3% |
| FY1991-92 | 31,937,043 | 0 | (5,000,000) | 0 | 0 | 26,937,043 | 1.8% |
| FY1992-93 | 26,937,043 | 0 | (9,500,000) | 0 | 0 | 17,437,043 | 1.1% |
| FY1993-94 | 17,437,043 | 0 | 7,250,000 | 0 | 3,063,462 | 27,750,505 | 1.7% |
| FY1994-95 | 27,750,505 | 0 | 1,250,000 | 0 | (8,518,701) | 20,481,804 | 1.2% |
| FY1995-96 | 20,481,804 | 0 | 18,189,565 | 0 | (20,481,804) | 18,189,565 | 1.0% |
| FY1996-97 | 18,189,565 | 0 | 3,032,333 | 0 | 19,740,786 | 40,962,684 | 2.0% |
| FY1997-98 | 40,962,684 | 0 | 0 | 0 | 91,621,018 | 132,583,702 | 6.3% |
| FY1998-99 | 132,583,702 | 0 | (98,500,000) | 0 | 111,616,422 | 145,700,124 | 6.9% |
| FY1999-00 | 145,700,124 | 0 | (24,500,000) | 0 | 20,959,305 | 142,159,429 | 5.9% |
| FY2000-01 | 142,159,429 | 0 | (49,500,000) | 0 | 77,576,670 | 170,236,099 | 6.9% |

| Fiscal Yr | Beginning Balance | Direct Deposit and Interest | Legislative Transfers | Cash Flow | Automatic Transfers | Ending Balance | Balance as % of revenues |
|---------------|-------------------|-----------------------------|-----------------------|--------------|---------------------|----------------|--------------------------|
| FY2001-02 | 170,236,099 | 0 | (60,170,000) | 0 | 0 | 110,066,099 | 4.7% |
| FY2002-03 | 110,066,099 | 66,476,446 | (87,400,000) | (30,000,000) | 0 | 59,142,545 | 2.4% |
| FY2003-04 | 59,142,545 | 59,463,461 | (61,577,669) | 30,000,000 | 0 | 87,028,337 | 3.2% |
| FY2004-05 | 87,028,337 | 8,170,556 | (26,758,180) | 0 | 108,727,007 | 177,167,720 | 5.8% |
| FY2005-06 | 177,167,720 | 0 | (165,266,227) | 0 | 261,715,297 | 273,616,790 | 8.2% |
| FY2006-07 | 273,616,790 | 0 | (17,458,523) | 0 | 259,929,524 | 516,087,791 | 15.1% |
| FY2007-08 | 516,087,791 | 0 | (161,978,767) | 0 | 191,436,773 | 545,545,797 | 15.6% |
| FY2008-09 | 545,545,797 | 0 | (84,330,505) | 0 | 116,976,571 | 578,191,863 | 17.2% |
| FY2009-10 | 578,191,863 | 0 | (110,990,237) | 0 | 0 | 467,201,626 | 14.6% |
| FY2010-11 | 467,201,626 | 0 | (154,000,000) | 0 | 0 | 313,201,626 | 8.9% |
| FY2011-12 est | 313,201,626 | 8,400,000 | (32,698,000) | 0 | 145,155,092 | 434,058,718 | 11.9% |
| FY2012-13 est | 434,058,718 | 0 | (144,751,000) | 0 | 51,901,000 | 341,208,718 | 9.0% |
| FY2013-14 est | 341,208,718 | 0 | 0 | 0 | 0 | 341,208,718 | 8.8% |
| FY2014-15 est | 341,208,718 | 0 | 0 | 0 | 0 | 341,208,718 | 8.5% |

Assumptions - Financial Status-Following Biennium

Revenues

The NEFAB does not make official forecasts for the following biennium or what's commonly referred to as the "out years". The revenue estimates used for the following biennium (FY13-14 and FY14-15) in the current financial status are prepared by the Legislative Fiscal Office (LFO) using the "capped" historical average methodology. This "smoothing" technique derives a revenue growth for the "out years" by calculating the level of revenues that would yield a five year average growth (FY10 to FY15) roughly equal to the historical average from FY81 to FY11 (5.0%). Inherent in this methodology is the concept that within any five-year period, below average revenue growth in some years will be offset by above average growth in others and is visually seen in the line graph of historical adjusted revenue growth.

Under this method, revenue growth for the two years would average 3.6%. Even with the low growth in the NEFAB forecasts, these out year growth numbers are low due to the 9.4% growth experienced in FY2010-11. The projected numbers for FY2013-14 and FY2014-15 also reflect initial implementation of LB84 (2011) which diverts the equivalent of ¼% sales tax to highway funding (approximately \$70 million per year). Other methods yield revenue estimates relatively similar as described on page 15.

Spending

For the “following biennium” (FY13-14 and FY14-15), the mainline budget numbers reflect the annualized impact of the current budget actions plus an estimate of future year increases in entitlement programs, salary and health insurance increases, and other funding requirements that are normally not optional. While the actual funding needs in these areas will not be known until the biennial budget process starts again next session, some level of funding for these items must be acknowledged and shown as likely funding commitments for planning purposes. Table 3 shows the individual items and assumption used in arriving at a projected budget.

Table 3 Projected Budget Increases-Following Biennium
(includes on-going impact of 2012 budget actions)

| <i>Dollar Changes from FY13 Base Year</i> | Annual % Change | | | Projected Increases | |
|--|-----------------|-------------|-------------|----------------------|----------------------|
| | FY14 | FY15 | 2 Yr Avg | FY2013-14 | FY2014-15 |
| FY2012-13 Base Appropriation | | | | 3,572,999,930 | 3,572,999,930 |
| TEEOSA School Aid (Gen Fund only) | 20.8% | 8.7% | 14.8% | 174,262,864 | 88,184,603 |
| DHHS aid programs, eligibility & utilization | 3.8% | 3.8% | 3.8% | 41,290,683 | 83,855,716 |
| DHHS aid programs, provider rates | 3.0% | 3.0% | 3.0% | 30,524,412 | 62,865,388 |
| Employee Salary increases | 2.5% | 2.5% | 2.5% | 25,166,205 | 50,961,564 |
| Employee Health Insurance | 10.0% | 10.0% | 10.0% | 19,130,155 | 36,122,550 |
| DHHS aid programs, replace one-time funds | -- | -- | -- | 11,000,000 | 11,000,000 |
| Agency operating cost increases | 2.0% | 2.0% | 2.0% | 5,707,762 | 11,529,679 |
| Special Education reimbursement | 2.5% | 2.5% | 2.5% | 4,622,346 | 9,360,251 |
| DHHS operations, replace one-time funds | -- | -- | -- | 6,400,000 | 6,400,000 |
| Community Colleges | 3.5% | 3.5% | 3.5% | 3,036,531 | 6,179,340 |
| Homestead Exemption | 3.2% | 3.2% | 3.2% | 2,331,000 | 4,731,930 |
| Early Childhood (restore GF per current law) | -- | -- | -- | 3,365,962 | 3,365,962 |
| Inmate per diem costs | 6.0% | 6.0% | 6.0% | 1,186,026 | 2,407,632 |
| Aid to ESU's | 2.5% | 2.5% | 2.5% | 351,294 | 711,370 |
| Capital Construction (to reaffirmations only) | -- | -- | -- | (1,177,233) | (1,677,233) |
| Return county assessor to counties | -- | -- | -- | (616,540) | (616,540) |
| Small Business Innovation Act (expires) | -- | -- | -- | (200,000) | (200,000) |
| Defined benefit retirement plans | -- | -- | -- | 1,546,000 | (1,770,000) |
| Federal Health Care Reform (ACA) | -- | -- | -- | ? | ? |
| Total General Fund Increases (Biennial Basis) | 9.1% | 5.6% | 7.3% | 327,830,467 | 547,578,077 |
| Projected Appropriation per Financial Status | | | | 3,945,915,579 | 4,165,663,189 |

Half of the total projected budget increase in the next biennium is TEEOSA school aid as projected under the current statute. General Funds for TEEOSA school aid is projected to increase by 20.8% in FY14 and 8.7% in FY15. About 70% of the projected increase in TEEOSA can be attributed to the expiration of certain provisions of LB235 passed in the 2011 Session which lowered the aid amounts for the current biennium (FY11-12 and FY12-13).

A large unknown for the following biennium is the costs that the state will incur due to federally enacted health care reform as contained in the Patient Protection and Affordable Care Act (PPACA). Most of the expanded coverage affecting the state become operative in 2014. At the present time there are no definitive estimates that can be incorporated into the projected status for the following biennium although there will very likely be some increased costs associated with this law. Milliman, Inc. was retained by the Nebraska Department of Health and Human Services to provide consulting services related to the financial review of the act as they relate to the provisions impacting the State's Medicaid program and budget. In their August 2010 report, the mid-range participation scenarios yield a projected increase in state costs of \$30 million in FY2013-14 and \$55 million in FY2014-15 excluding the estimates for pharmacy rebate losses which have subsequently been deleted. While there are many unknown variables regarding the costs of this law, the key assumption is the level of participation for those (1) newly eligible for expanded coverage, (2) previously eligible but not enrolled who obtain benefits to comply with the minimal essential coverage mandate (woodwork effect), and (3) those who are eligible but are not switching from existing health insurance coverage. No specific dollar amounts have been included in the out year projection as we have yet to conclude that these estimates are reasonable.

AID TO LOCAL GOVERNMENTS

TEEOSA State Aid to Schools (Sine Die Estimate) The estimates for FY14 and FY15 are based on the same methodology utilized for the November estimates required under current law for FY12-13 but with Fiscal Office assumptions and should be considered Fiscal Office estimates. They are based on the TEEOSA formula as revised by LB235 enacted in the 2011 Session. General Funds for TEEOSA school aid is projected to increase by 20.8% in FY14 and 8.7% in FY15. Of this 20.8% increase, the equivalent of a 14.2% increase directly relates to the expiration of certain provisions of LB235 passed in the 2011 Session which lowered the aid amounts for the current biennium (FY11-12 and FY12-13). This includes the local effort rate (LER) returning to \$1.00 from \$1.0395 and the cost growth factor going from .5% to 3.0% in FY14 and then 5.0% in FY15. The cost growth factor is used to take two year old actual data and inflate to "aid year" amounts. A more detailed explanation can be found on page 21.

Special Education: Increases for FY13-14 and FY14-15 reflect a 2.5% per year increase which is equal to the basic allowable growth rate under the K-12 school spending limitation.

Aid to Community Colleges A 3.5% per year annual increase is included for the following biennium budget reflecting increased state aid to support operations budget increases. This increase amounts to about a \$3.0 million per year increase.

Early Childhood program For the proposed biennial budget, the Appropriations Committee assumed passage of LB333 which shifted funding for several education programs from the

General Fund to the Education Innovation Fund (lottery). For the early childhood program, this shift was only for two years thus the general funds are restored starting in FY13-14.

Homestead Exemption A 3% per year annual increase is included for the following biennium budget reflecting some level of inflationary increases.

Aid to ESU's The amount of aid to ESU's is based on funding of a certain level of core services and technology infrastructure. Growth in aid is set at the same rate as the basic allowable growth rate under the K-12 school spending limitation (2.5% per year).

AID TO INDIVIDUALS

Medicaid For the following biennium, a 7.5% per year increase is used. This approximates the average growth over the past 10 years. This reflects a 4.5% increase in eligibility and Utilization and a 3% increase in provider rates.

Public Assistance A basic growth rate of 6.0% per year is utilized for the various Public Assistance programs for the following biennium and includes a 3% increase in provider rates.. This approximates the average growth over the past 10 years. In addition, FY13-14 includes a \$11 million increase in General Funds to replace the one-time use of Emergency TANF funds in current biennial budget. This increases the FY13-14 increase to 10.7% and boosts the two year average growth to 8.2%

Children's Health Insurance (CHIP) For the following biennium, a 7.5% per year increase is used which is the same as Medicaid. However the growth in General Funds is closer to 10% as the General Fund would pick up all increases in this program because the \$5 million allocation from the Health Care Cash Fund is a fixed amount.

Developmental Disability Aid A 4% per year increase is included. This provides the equivalent of 2.5% per year for rate equity similar to the employee salary assumption and 1.5% for clients transitioning from K-12 programs. As this projected budget assumes no expanded programs, nothing is assumed for funding of the waiting list.

Behavioral Health Aid. This area includes substance abuse and mental health aid. The increases in the following biennium reflect a 3% increase to reflect some annual increase in provider rates.

AGENCY OPERATIONS / CONSTRUCTION

Employee Salary Increases Although salary increases will be the result of bargaining, some level of increase is factored in more for illustration than planning purposes. A 2.5% per year increase is included which approximates inflation and the current biennium funding.

Employee Health Insurance For planning purposes, a 10% per year increase in health insurance is included for the following biennium. This rate of growth is similar with the increases in the current proposed budget as well as the average growth over the past 5 to 10 years. Also for the state plan(excludes University and Colleges) there is an additional 5% increase in FY14 to offset subsidized low rates in FY13. There is projected to be a surplus in the insurance funds in FY12 based on existing rates and projected expenditures. This surplus is then available to offset a projected shortfall in FY13 (negative gap is about 5%) allowing the rates to remain the same over the biennium. However in FY14 the rates would need to be increased about 5% with no cost increases just to replace the one-time surplus funds that were used to to supplement the FY13 rates.

Operations Inflation Included in the projected status is an across the board 2% increase in agency non-personnel operating costs.

Inmate Per Diem Costs While some costs at the Dept of Correctional Services such as staffing are “fixed” within a range of inmate population, some costs change directly with each inmate. This includes items such as food, clothing, and medical care. A 3% per year increase is included to reflect both inflationary costs and an increase in the number of inmates.

Defined Benefit Retirement plans LB382 enacted in the 2011 Session addressed the projected shortfalls in defined benefit and cash balance retirement plans for the FY12/FY13 biennial budget. Original projections at that time were that the shortfall would grow into the following biennium. However, based on the latest actuary data, additional funding needs for the next biennium appear to be relatively small.

LB1100 Depreciation Assessments The statutory provisions of what are referred to as LB1100 depreciation assessments were eliminated in LB380 enacted in the 2011 session, therefore no additional funds are included.

Capital Construction General Fund dollars included in the projected budget for the following biennium for capital construction reflect reaffirmations only based on the proposed FY12/FY13 biennial budget. These are dollar amounts needed to complete funding of previously approved projects.

General Fund Revenues

Revenue Forecasts

Revenue estimates for FY2011-12 and FY2012-13 are the February 2012 forecasts from the Nebraska Economic Forecast Advisory Board (NEFAB). These forecasts yield a projected adjusted revenue growth of 4.1% in FY11-12 and 3.8% in FY12-13, an average growth of 3.9%, below the 5% historical average. These forecasts were unchanged from the Boards' October 2011 forecasts.

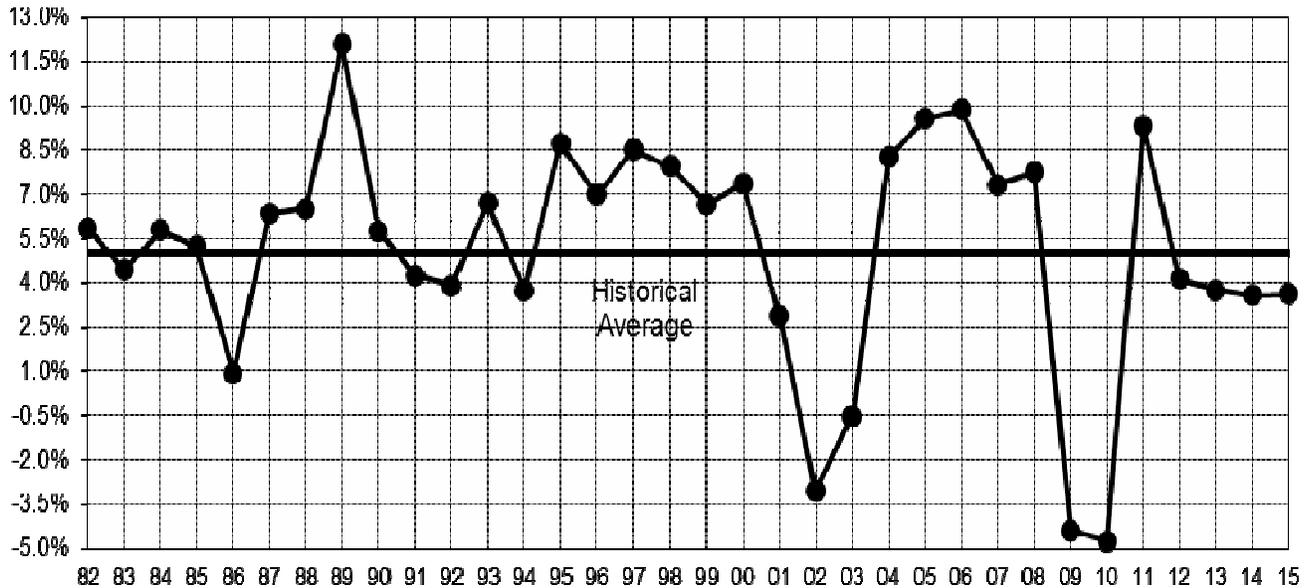
The NEFAB does not make official forecasts for the following biennium or what's commonly referred to as the "out years". Although different methodologies could be utilized, the revenue estimates used for the following biennium (FY13-14 and FY14-15) in the current financial status are prepared by the Legislative Fiscal Office (LFO) using the "capped" historical average methodology. This "smoothing" technique derives a revenue growth for the "out years" by calculating the level of revenues that would yield a five year average growth (FY10 to FY15) roughly equal to the historical average from FY81 to FY11 (5.0%). Inherent in this methodology is the concept that within any five-year period, below average revenue growth in some years will be offset by above average growth in others and is visually seen in the line graph of historical adjusted revenue growth.

Under this method, revenue growth for the two years would average 3.6%. Even with the low growth in the NEFAB forecasts, these out year growth numbers are low due to the 9.4% growth experienced in FY2010-11. The projected numbers for FY2013-14 and FY2014-15 also reflect initial implementation of LB84 (2011) which diverts the equivalent of ¼% sales tax to highway funding (approximately \$70 million per year). This did not impact the calculated revenue growth in the "out years" as the growth calculations are all rate and base adjusted.

Table 4 - General Fund Revenue Forecasts

| <i>Revenue Estimates Used in Financial Status</i> | Actual FY2010-11 | NEFAB FY2011-12 | NEFAB FY2012-13 | LFO Prelim FY2013-14 | LFO Prelim FY2014-15 |
|---|---------------------|--------------------|--------------------|-------------------------|-------------------------|
| <u>Actual/Forecast</u> | | | | | |
| Sales and Use Tax | 1,372,784,033 | 1,428,000,000 | 1,485,000,000 | 1,465,000,000 | 1,512,000,000 |
| Individual Income Tax | 1,735,208,600 | 1,780,000,000 | 1,870,000,000 | 1,998,000,000 | 2,112,000,000 |
| Corporate Income Tax | 154,944,966 | 217,000,000 | 230,000,000 | 225,000,000 | 220,000,000 |
| Miscellaneous receipts | 236,717,493 | 218,000,000 | 195,000,000 | 182,000,000 | 176,000,000 |
| Total Gen Fund Revenues | 3,499,655,092 | 3,643,000,000 | 3,780,000,000 | 3,870,000,000 | 4,020,000,000 |
| <u>Adjusted Growth</u> | | | | | |
| Total Gen Fund Revenues | 9.3% | 4.1% | 3.8% | 3.6% | 3.6% |
| Five Yr Average | -- | -- | -- | -- | 4.9% |

General Fund Revenue Growth (Adjusted for Tax Rate and Base)



Other “Out Year” Forecasts

As noted above, other alternative methods are available for purposes of deriving revenue estimates for the following biennium. In addition to the historical average methodology used in the financial status, both the Nebraska Dept of Revenue (NDR) and Legislative Fiscal Office (LFO) have calculated revenue estimates for these two “out years” using the same models and input from Global Insight and Moody’s, the national forecasting services used as input into the tax forecast models. While these forecasts work well for the 1 to 3 year forecasts, when extended further they have a tendency to flatten out and follow the 3 year trend into the 4th and 5th year. In other words, they have difficulty picking up changes in the trend. The historical average methodology, the method used since 1991 and used in the current financial status, utilizes a “smoothing” technique which derives a revenue growth for the “out years” by calculating the level of revenues that would yield a five year average growth (FY09 to FY13) roughly equal to the historical average from FY81 to FY11 (currently 5.0%).

As shown in Table 5, the preliminary estimates for the two “out years” arrived at using the historical average concept (as used in the Financial Status), are very similar to the Global Insight model averages. Forecasts using Moody’s are significantly higher than either the historical average method or Global Insight.

Table 5 - Comparison of "Out Year" Forecasts

| Based on Feb 2012 Revenue Forecasts | Current Status | Average Global Insight | Average All Forecasts | High Est LFO-Moodys | Low Est LFO Global |
|--|----------------|------------------------|-----------------------|---------------------|--------------------|
| <u>Dollar Forecast (thousands)</u> | | | | | |
| FY2013-14 Prelim | 3,870,000 | 3,862,689 | 3,903,914 | 3,966,128 | 3,873,258 |
| FY2014-15 Prelim | 4,020,000 | 4,053,396 | 4,123,416 | 4,174,231 | 4,020,104 |
| <u>Calculated Growth (adjusted)</u> | | | | | |
| FY2013-14 Prelim | 3.6% | 3.4% | 4.4% | 5.9% | 4.0% |
| FY2014-15 Prelim | 3.6% | 4.6% | 5.2% | 4.9% | 3.2% |
| Two Year Avg (Prelim) | 3.6% | 4.0% | 4.8% | 5.4% | 3.6% |
| Five Year Avg | 4.9% | 5.0% | 5.4% | 5.6% | 4.9% |
| <u>\$ Difference from Status</u> | | | | | |
| FY2013-14 | 0 | (7,311) | 33,914 | 96,128 | 3,258 |
| FY2014-15 | 0 | 33,396 | 103,416 | 154,231 | 104 |
| Cumulative Total | 0 | 26,085 | 137,330 | 250,359 | 3,362 |

General Fund Transfers-Out

General Fund Transfers-Out accounts for funds that are transferred from the General Fund to another fund within the state treasury. These items have the same effect as an appropriation but are not expended from the General Fund as such and therefore are shown under the revenue category as transfers-out from the General Fund and subsequently expended from the receiving fund.

The Appropriations Committee proposed budget does not include any changes from those enacted during the 2012 legislative session

Table 6 General Fund Transfers-Out

| Excludes CRF Transfers | Actual | Current Biennium | | Following Biennium | |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|
| | FY2010-11 | FY2011-12 | FY2012-13 | FY2013-14 | FY2014-15 |
| Ethanol Credits (EPIC Fund) | (5,500,000) | (6,300,000) | 0 | 0 | 0 |
| Property Tax Credit Fund | (112,000,000) | (110,000,000) | (110,000,000) | (115,000,000) | (115,000,000) |
| Water Resources Cash Fund | (2,700,000) | (3,300,000) | (3,300,000) | (3,300,000) | (3,300,000) |
| Cultural Preservation Endowment Fund | (500,000) | 0 | 0 | (500,000) | (500,000) |
| Indian Affairs, state assistance | (25,000) | 0 | 0 | 0 | 0 |
| Nebr Innovation Campus (through NCCF) | 0 | (25,000,000) | 0 | 0 | 0 |
| <i>General Fund Transfers-Out (current law)</i> | <i>(120,725,000)</i> | <i>(144,600,000)</i> | <i>(113,300,000)</i> | <i>(118,800,000)</i> | <i>(118,800,000)</i> |
| 2012 Session Transfers-Out | 0 | 0 | 0 | 0 | 0 |
| <i>Total-General Fund Transfers-Out</i> | <i>(120,725,000)</i> | <i>(144,600,000)</i> | <i>(113,300,000)</i> | <i>(118,800,000)</i> | <i>(118,800,000)</i> |

General Fund Transfers-In

Cash funds are funds which contain earmarked revenue sources and monies in those funds can only be used for the purposes authorized by statute. In many instances (since the 2009 special session) an authorized use of monies in a cash fund is transfers to the General Fund at the discretion of the Legislature. For accounting purposes, these are shown as “Transfers in” and are included as revenues. The transfers shown below were enacted in the 2011 regular and special sessions are already incorporated into the “Net Receipts” figures of the NEFAB forecasts.

The Appropriations Committee proposed budget does not include any changes from those enacted during the 2012 legislative session

Table 7 General Fund Transfers-In

| | Actual | Per 2011 Session | | Following Biennium | |
|--|------------|------------------|------------|--------------------|-----------|
| | FY2010-11 | FY2011-12 | FY2012-13 | FY2013-14 | FY2014-15 |
| Securities Act Cash Fund | 37,250,000 | 19,000,000 | 19,000,000 | 0 | 0 |
| Tobacco Products Admin Cash Fund | 7,500,000 | 7,000,000 | 7,000,000 | 0 | 0 |
| Dept. of Insurance Cash Fund | 11,500,000 | 6,000,000 | 6,000,000 | 0 | 0 |
| Health and Human Services Cash Fund | 2,559,140 | 3,400,000 | 0 | 0 | 0 |
| Dept. of Motor Vehicles Cash Fund | 328,407 | 1,000,000 | 1,000,000 | 0 | 0 |
| Life Insurance Demutualization Trust Fund | 0 | 1,000,000 | 0 | 0 | 0 |
| Mutual Finance Assistance Fund | 0 | 300,000 | 300,000 | 0 | 0 |
| Local Civic, Cultural and Convention Center Fund | 0 | 75,000 | 75,000 | 0 | 0 |
| Motorcycle Safety Education Fund (MV Cash Fund) | 0 | 197,500 | 0 | 0 | 0 |
| <i>Transfers-In Already in forecast</i> | 72,158,100 | 37,972,500 | 33,375,000 | 0 | 0 |
| <i>2012 Transfers In</i> | 0 | 0 | 0 | 0 | 0 |
| <i>Total General Fund Transfers-In</i> | 72,158,100 | 37,972,500 | 33,375,000 | 0 | 0 |

General Fund Appropriations

The financial status shown in this section includes the Appropriations Committee budget recommendations for current year deficits (FY2011-12) and adjustments for FY2012-13, the second year of the biennial budget. A listing of the most significant General Fund adjustments is shown in Table 8. The amount of mid-biennium budget adjustments in the Committee budget increases FY2011-12 and FY2012-13 General Fund appropriations by a total of \$41.0 million over the two year period.

| FY2010-11 | Operations | State Aid | Construction | Total |
|--|----------------------|----------------------|-------------------|----------------------|
| Total Per 2010 Session | 1,253,663,584 | 2,137,635,475 | 13,802,233 | 3,405,101,292 |
| 2011 Session Deficits | (2,580,549) | (24,621,817) | 0 | (27,202,366) |
| 2011 Session State Claims | 1,702,254 | 0 | 0 | 1,702,254 |
| Final Appropriation with deficits | 1,252,785,289 | 2,113,013,658 | 13,802,233 | 3,379,601,180 |

| FY2011-12 | Operations | State Aid | Construction | Total |
|---|----------------------|----------------------|-------------------|----------------------|
| Total Per 2011 Session | 1,223,133,966 | 2,231,228,035 | 14,027,233 | 3,468,389,234 |
| 2011 Special Session Actions | 2,142,695 | 0 | 0 | 2,142,695 |
| Total Per 2011 Special Session | 1,225,276,661 | 2,231,228,035 | 14,027,233 | 3,470,531,929 |
| 2012 Session-Committee Proposed | 4,372,751 | 9,400,000 | 0 | 13,772,751 |
| 2012 Session-State Claims | 0 | 0 | 0 | 0 |
| 2012 Session-Floor Actions | 0 | 0 | 0 | 0 |
| 2012 Session-Governor Vetoes | 0 | 0 | 0 | 0 |
| 2012 Session-Veto Overrides | 0 | 0 | 0 | 0 |
| 2012 Session "A" bills | 0 | 0 | 0 | 0 |
| 2012 Session - Deficits | 4,372,751 | 9,400,000 | 0 | 13,772,751 |
| Final Appropriation with deficits | 1,229,649,412 | 2,240,628,035 | 14,027,233 | 3,484,304,680 |
| Change over prior year (excluding deficits) | | | | |
| Dollar | (28,386,923) | 93,592,560 | 225,000 | 65,430,637 |
| Percent | -2.3% | 4.4% | 1.6% | 1.9% |

| FY2012-13 | Operations | State Aid | Construction | Total |
|---|----------------------|----------------------|-------------------|----------------------|
| Total Per 2011 Session | 1,238,989,707 | 2,337,239,239 | 14,602,233 | 3,590,831,179 |
| 2012 Session-Committee Proposed | 13,896,187 | 7,178,412 | 6,170,000 | 27,244,599 |
| 2012 Session-Floor Actions | 0 | 0 | 0 | 0 |
| 2012 Session-Mainline Governor Vetoes | 0 | 0 | 0 | 0 |
| 2012 Session-Mainline Veto Overrides | 0 | 0 | 0 | 0 |
| 2012 Session "A" bills | 0 | 0 | 0 | 0 |
| Post 2012 Session | 0 | 0 | 0 | 0 |
| 2012 Session - Midbiennium Adjustments | 13,896,187 | 7,178,412 | 6,170,000 | 27,244,599 |
| Total Per 2012 Session | 1,252,885,894 | 2,344,417,651 | 20,772,233 | 3,618,075,778 |
| Change over prior year (excluding deficits) | | | | |
| Dollar | 27,609,233 | 113,189,616 | 6,745,000 | 147,543,849 |
| Percent | 2.3% | 5.1% | 48.1% | 4.3% |
| Two Year Avg Growth (excluding deficits) | 0.0% | 4.7% | 22.7% | 3.1% |

Table 8 General Fund Budget Adjustments – 2012 Session

| | Appropriations Committee Proposed | | |
|--|-----------------------------------|-------------------|-------------------|
| | FY2011-12 | FY2012-13 | Two Yr total |
| 1 SIGNIFICANT INCREASES: | | | |
| 3 Child Care Deficit | 12,000,000 | 12,000,000 | 24,000,000 |
| 2 Child welfare shortfall * | 1,500,000 | 17,017,346 | 18,517,346 |
| 4 Lower 2013 FMAP | 0 | 12,429,338 | 12,429,338 |
| 5 Partial restoration of provider rate cut - Medicaid | 0 | 9,660,143 | 9,660,143 |
| 6 Governors Emergency program | 8,900,000 | 0 | 8,900,000 |
| University - IANR Veterinary Diagnostic Center (bond | | | |
| 7 payment) | 0 | 6,093,000 | 6,093,000 |
| 8 Developmental disability, waiting list aid (LB 901) | 0 | 4,000,000 | 4,000,000 |
| 9 Child Support Incentive Federal Match Change | 0 | 2,630,843 | 2,630,843 |
| 10 Increased OJS Staffing | 225,000 | 905,000 | 1,130,000 |
| 11 Economic Assistance Caseload Increases | 322,014 | 161,007 | 483,021 |
| 12 School and Patrol retirement plans, statutory contributions | 0 | 361,408 | 361,408 |
| 13 Nurse visitation services (LB 1048) | 0 | 250,000 | 250,000 |
| | <u> </u> | <u> </u> | <u> </u> |
| 14 Subtotal-Increases listed | 22,947,014 | 65,508,085 | 88,455,099 |
| 15 SIGNIFICANT REDUCTIONS: | | | |
| 16 TEEOSA state aid, adjust to NDE current law estimate | 0 | (27,574,876) | (27,574,876) |
| 17 Homestead Exemption | (4,200,000) | (5,200,000) | (9,400,000) |
| 18 Revised program cost estimates, Medicaid | (3,000,000) | (3,000,000) | (6,000,000) |
| 19 Revised program cost estimates (SCHIP) | (1,000,000) | (1,000,000) | (2,000,000) |
| 20 Revised program cost est Norfolk Sex Offender Treatment | (750,000) | (750,000) | (1,500,000) |
| 21 Revised program cost est fund shift), Veterans Homes | (500,000) | (500,000) | (1,000,000) |
| 22 Revised program cost estimates, BSDC | 0 | (700,000) | (700,000) |
| | <u> </u> | <u> </u> | <u> </u> |
| 23 Subtotal-Reductions listed | (9,450,000) | (38,724,876) | (48,174,876) |
| 24 ALL OTHER (Net) | 275,737 | 461,390 | 737,127 |
| 36 GENERAL FUND NEW APPROPRIATIONS | 13,772,751 | 27,244,599 | 41,017,350 |

* FY2011-12 amount of \$1,500,000 offset by a lapse of FY2010-11 reappropriated funds

Table 9 Summary of FY2012-13 General Fund Budget

| | w/o Deficits FY2010-11 | w/o Deficits FY2011-12 | Total Per 2011 Session FY2012-13 | Committee 2012 Change FY2012-13 | Revised Total FY2012-13 | Change over Prior Yr | | 2 Yr Avg % Change | % of Total FY12-13 |
|--|---------------------------|---------------------------|--|---------------------------------------|-------------------------------|------------------------------|-------|----------------------|--------------------------|
| | | | | | | FY12-13 (w/o deficits) \$ | % | | |
| Agency Operations | | | | | | | | | |
| University/Colleges | 540,090,076 | 536,124,386 | 543,222,833 | 0 | 543,222,833 | 7,098,447 | 1.3% | 0.3% | 15.0% |
| Health & Human Services System | 252,915,827 | 219,347,008 | 225,177,598 | 13,500,031 | 238,677,629 | 19,330,621 | 8.8% | -2.9% | 6.6% |
| Correctional Services | 142,575,132 | 156,102,931 | 157,059,844 | 0 | 157,059,844 | 956,913 | 0.6% | 5.0% | 4.3% |
| Courts | 70,264,041 | 74,874,064 | 75,654,066 | 0 | 75,654,066 | 780,002 | 1.0% | 3.8% | 2.1% |
| State Patrol | 55,891,491 | 53,690,860 | 54,253,448 | 0 | 54,253,448 | 562,588 | 1.0% | -1.5% | 1.5% |
| Revenue | 27,071,402 | 25,792,617 | 25,447,374 | 0 | 25,447,374 | (345,243) | -1.3% | -3.0% | 0.7% |
| Retirement Board | 27,420,010 | 28,344,698 | 29,629,917 | 361,408 | 29,991,325 | 1,646,627 | 5.8% | 4.6% | 0.8% |
| Other 39 Agencies | 137,435,605 | 131,000,097 | 128,544,627 | 34,748 | 128,579,375 | (2,420,722) | -1.8% | -3.3% | 3.6% |
| Total-GF Operations | 1,253,663,584 | 1,225,276,661 | 1,238,989,707 | 13,896,187 | 1,252,885,894 | 27,609,233 | 2.3% | 0.0% | 34.6% |
| State Aid to Individuals/Others | | | | | | | | | |
| Medicaid | 489,426,763 | 599,909,134 | 630,241,604 | 16,331,590 | 646,573,194 | 46,664,060 | 7.8% | 14.9% | 17.9% |
| Public Assistance | 248,124,986 | 239,522,936 | 243,518,332 | 18,846,551 | 262,364,883 | 22,841,947 | 9.5% | 2.8% | 7.3% |
| Developmental disabilities aid | 90,573,431 | 94,652,981 | 96,804,432 | 5,073,939 | 101,878,371 | 7,225,390 | 7.6% | 6.1% | 2.8% |
| Behavioral Health aid | 74,721,481 | 74,810,767 | 74,952,023 | 181,196 | 75,133,219 | 322,452 | 0.4% | 0.3% | 2.1% |
| Childrens Health Insurance (CHIP) | 11,634,438 | 9,932,192 | 13,036,419 | (702,050) | 12,334,369 | 2,402,177 | 24.2% | 3.0% | 0.3% |
| Aging Programs | 7,999,438 | 7,999,438 | 7,999,438 | 0 | 7,999,438 | 0 | 0.0% | 0.0% | 0.2% |
| Higher Ed Student Aid programs | 6,863,406 | 6,918,156 | 6,918,156 | 75,000 | 6,993,156 | 75,000 | 1.1% | 0.9% | 0.2% |
| Public Health Aid | 4,807,372 | 4,790,612 | 4,790,612 | 0 | 4,790,612 | 0 | 0.0% | -0.2% | 0.1% |
| Community health centers | 3,867,394 | 3,767,394 | 3,767,394 | 0 | 3,767,394 | 0 | 0.0% | -1.3% | 0.1% |
| Business Innovation Act (LB387) | 0 | 7,000,000 | 7,000,000 | 156,396 | 7,156,396 | 156,396 | 2.2% | na | 0.2% |
| All Other Aid to Individuals/Other | 8,580,257 | 7,980,123 | 7,980,123 | 0 | 7,980,123 | 0 | 0.0% | -3.6% | 0.2% |
| Total-GF Aid to Individuals/Other | 946,598,966 | 1,057,283,733 | 1,097,008,533 | 39,962,622 | 1,136,971,155 | 79,687,422 | 7.5% | 9.6% | 31.4% |
| State Aid to Local Govts | | | | | | | | | |
| State Aid to Schools (TEEOSA) | 796,734,560 | 804,689,087 | 864,654,919 | (27,574,876) | 837,080,043 | 32,390,956 | 4.0% | 2.5% | 23.1% |
| Special Education | 184,893,842 | 184,893,842 | 184,893,842 | 0 | 184,893,842 | 0 | 0.0% | 0.0% | 5.1% |
| Aid to Community Colleges | 86,758,025 | 86,758,025 | 87,870,147 | 0 | 87,870,147 | 1,112,122 | 1.3% | 0.6% | 2.4% |
| Homestead Exemption | 65,000,000 | 72,300,000 | 77,700,000 | (5,200,000) | 72,500,000 | 200,000 | 0.3% | 5.6% | 2.0% |
| Aid to ESU's | 14,791,327 | 14,051,761 | 14,051,761 | 0 | 14,051,761 | 0 | 0.0% | -2.5% | 0.4% |
| Aid to Cities | 10,964,566 | 0 | 0 | 0 | 0 | 0 | 0.0% | #NUM! | 0.0% |
| Aid to Counties programs | 9,659,932 | 0 | 0 | 0 | 0 | 0 | 0.0% | #NUM! | 0.0% |
| High ability learner programs | 2,175,673 | 0 | 0 | 0 | 0 | 0 | 0.0% | -100.0% | 0.0% |
| Early Childhood programs | 3,365,962 | 0 | 0 | 0 | 0 | 0 | 0.0% | -100.0% | 0.0% |
| Other Aid to Local Govt | 16,692,622 | 11,251,587 | 11,060,037 | 0 | 11,060,037 | (191,550) | -1.7% | -18.6% | 0.3% |
| Total-GF Aid to Local Govt | 1,191,036,509 | 1,173,944,302 | 1,240,230,706 | (32,774,876) | 1,207,455,830 | 33,511,528 | 2.9% | 0.7% | 33.4% |
| Capital Construction | | | | | | | | | |
| | 13,802,233 | 14,027,233 | 14,602,233 | 6,170,000 | 20,772,233 | 6,745,000 | 48.1% | 22.7% | 0.6% |
| Total General Funds | | | | | | | | | |
| | 3,405,101,292 | 3,470,531,929 | 3,590,831,179 | 27,253,933 | 3,618,085,112 | 147,553,183 | 4.3% | 3.1% | 100.0% |

Significant General Fund Items

TEEOSA School Aid (Dept. of Education)

The Appropriations Committee proposal includes TEEOSA aid funding at a total of \$852.1 million for FY2012-13. This is based on the current TEEOSA law and reflects the state aid calculated and presented by the Department of Education (NDE) in February 2012. This \$852.1 million aid level is \$27.3 million less than the \$879.4 million estimated at the end of the 2011 legislative session and funded in the originally enacted FY2012-13 budget. The following table shows the actual TEEOSA aid for the past three years, the amount to be funded in FY2012-13 under current law and estimated for the next two years also projected under current law.

| | Actual FY2009-10 | Actual FY2010-11 | Actual FY2011-12 | Current Law FY2012-13 | Estimated FY2013-14 | Estimated FY2014-15 |
|---|---------------------|----------------------|---------------------|--------------------------|------------------------|------------------------|
| General Funds | 824,934,868 | 796,734,560 | 804,689,087 | 837,080,043 | 1,011,342,907 | 1,099,527,510 |
| Insurance Premium Tax | 15,247,109 | 13,200,000 | 17,151,812 | 15,000,000 | 15,375,000 | 15,759,375 |
| ARRA | 93,668,750 | 140,287,176 | 0 | 0 | 0 | 0 |
| EDJOBS | 0 | 58,610,740 | 0 | 0 | 0 | 0 |
| Total TEEOSA state aid | 933,850,727 | 1,008,832,476 | 821,840,899 | 852,080,043 | 1,026,717,907 | 1,115,286,885 |
| <u>General Funds - Change over Prior Year</u> | | | | | | |
| Dollar | (121,989) | (28,200,308) | 7,954,527 | 32,390,956 | 174,262,864 | 88,184,603 |
| Percent | 0.0% | -3.4% | 1.0% | 4.0% | 20.8% | 8.7% |
| <u>All Funds - Change over Prior Year</u> | | | | | | |
| Dollar | 94,460,146 | 74,981,749 | (186,991,577) | 30,239,144 | 174,637,864 | 88,568,978 |
| Percent | 11.3% | 8.0% | -18.5% | 3.7% | 20.5% | 8.6% |

The large growth in TEEOSA aid in FY2013-14 and FY2014-15 directly relates to the expiration of some of the provisions of LB235 enacted last session to lower the FY12 and FY13 aid amounts. This include having the local effort rate return to \$1.00 from the \$1.0395 level in FY12 and FY13, and the allowable growth rate returning to 2.5% versus the 0% and .5% in FY12 and FY13 and how that increases the cost growth factor. The cost growth factor is what takes the two year old actual data and inflates it to the aid year. The following table breaks down the projected increases in the two following years. Of the 20.5% increase projected in FY2013-14, the equivalent of 14% relates to the expiration of the LB235 components.

| | Annual % Change | | Change over FY13 base | |
|---|-----------------|-------------|-----------------------|--------------------|
| | FY2013-14 | FY2014-15 | FY2013-14 | FY2014-15 |
| Local Effort Rate (\$1.0395 back to \$1.00) | 5.7% | 0.1% | 48,442,069 | 49,653,121 |
| Cost growth factor from 0.5 to 3.0 in FY13-14 | 8.5% | 0.2% | 72,155,375 | 73,959,260 |
| Cost growth factor from 3.0 to 5.0 in FY14-15 | 0.0% | 5.8% | 0 | 59,167,408 |
| All Other | 6.3% | 2.6% | 54,040,420 | 80,427,054 |
| Total Increase | 20.5% | 8.6% | 174,637,864 | 263,206,843 |

The following table shows the chronology of the TEEOSA estimates since Sine Die 2011. The amounts shown are total TEEOSA aid including amounts financed with General Funds and Insurance Premium Tax.

There are two pieces of information that are most important in determining TEEOSA aid, property valuations and two year prior actual revenue and spending data. At Sine Die 2011 neither was available and all data was estimated. Property valuations are not known until August and are then available at the statutory required October meeting to develop TEEOSA estimates. In October the FY12-13 estimate was \$829 million which was \$50 million lower than the aid number included in the budget as enacted in the 2011 session. This is the number the Governor included in his recommendation.

The other item, the two year prior actual data, is not available until December when the annual financial reports (AFR) are submitted by the schools and compiled by NDE. In December, the Legislative Fiscal Office updated the TEEOSA estimate using the annual financial report data that was not available at the time the previous estimate was made. This update indicated a total amount of TEEOSA aid at \$844 million which was \$15 million higher than the October revision and only \$35 million less than the Sine Die 2011 level. This is the number included in the Appropriations Committee preliminary report. Subsequently NDE calculated the \$852 million number using all the actual data and now included in the Committee proposal.

| | All Funds FY2011-12 | All Funds FY2012-13 | All Funds FY2013-14 | All Funds FY2014-15 |
|--|------------------------|------------------------|------------------------|------------------------|
| Sine Die 2011 | 821,840,899 | 879,356,145 | 947,109,070 | 983,664,102 |
| Valuation, 2011 from 2.5% to 4.26% | 0 | (24,144,253) | (24,388,397) | (25,607,816) |
| Valuation; 2012 (5.0% to 3%), 2013 (5.0% to 2.5%) | 0 | 0 | 29,865,084 | 69,809,635 |
| Change factor, yield from LER used in formula | 0 | 5,906,435 | 12,765,980 | 13,085,129 |
| Spending growth, FY11 3.0% to 1.3% (GFOE to 1.75%) | 0 | (46,718,203) | (48,362,430) | (50,536,667) |
| Spending growth, FY12 1.0% to 3.5%, FY13 stays at 2.5% | 0 | 0 | 71,115,891 | 74,292,546 |
| Revise system averaging adjustment | 0 | 5,649,305 | 5,847,031 | 5,993,208 |
| Revise formula NEEDS stabilization | 0 | (4,740,263) | (4,740,264) | (4,858,771) |
| Revise student growth adjustment | 0 | (4,947,523) | (5,120,686) | (5,248,703) |
| Revise new school adjustment | 0 | 3,514,999 | 3,638,024 | 3,728,974 |
| Change in NEEDS lost in basic funding calculation | 0 | 5,532,122 | 5,725,747 | 5,868,890 |
| Change in Learning Community, impact of non-equalization | 0 | (620,000) | (620,000) | (620,000) |
| Impact of Elementary Class Size Allowance expiring | 0 | 0 | (21,610,000) | (23,175,250) |
| Change in other receipts | 0 | 4,099,999 | 4,230,499 | 4,365,178 |
| Pre Oct Meeting (change in NEEDS) | 0 | 5,605,485 | 5,512,057 | 5,767,897 |
| Pre Oct Meeting (change "other receipts" mostly SPED) | 0 | 412,360 | 15,003,883 | 24,783,492 |
| Total Changes | 0 | (50,449,537) | 48,862,419 | 97,647,742 |
| October 2011 Joint Meeting | 821,840,899 | 828,906,608 | 995,971,489 | 1,081,311,844 |
| Actual FY11 AFR, higher disbursement growth (1.3% vs 2.5%) | 0 | 37,659,568 | 38,977,653 | 39,952,094 |
| Actual FY11 AFR, lower fed categorical | 0 | 13,029,404 | 13,485,433 | 13,822,569 |
| Actual FY11 AFR, lower adjustments to achieve GFOE | 0 | 6,095,335 | 6,308,672 | 6,466,389 |

| (Continued) | All Funds FY2011-12 | All Funds FY2012-13 | All Funds FY2013-14 | All Funds FY2014-15 |
|--|------------------------|------------------------|------------------------|------------------------|
| Change in NEEDS lost in basic funding calculation | 0 | 2,000,000 | 2,070,000 | 2,121,750 |
| Lower System Averaging adjustment | 0 | (32,000,000) | (1,000,000) | 0 |
| Lower NEEDS stabilization | 0 | (10,000,000) | (25,000,000) | (25,625,000) |
| Higher Local Choice adjustment | 0 | 1,712,846 | 1,772,795 | 1,817,115 |
| Higher cost growth factor inflation on GFOE | 0 | 283,921 | 1,763,153 | 3,012,052 |
| Higher poverty/LEP corrections | 0 | 17,348 | 17,955 | 18,404 |
| Actual FY11 AFR, lower "Other Receipts" | 0 | 2,436,248 | (1,199,780) | (1,201,219) |
| Change factor, yield from LER used in formula | 0 | (5,688,917) | (5,636,926) | (5,777,849) |
| Total Change | 0 | 15,545,753 | 31,558,955 | 34,606,305 |
| December 2011 Update with AFR data | 821,840,899 | 844,452,361 | 1,027,530,444 | 1,115,918,149 |
| Error, Voluntary Termination not previously excluded | 0 | (14,418,890) | 0 | 0 |
| Adjust total disbursements number | 0 | (950,636) | (983,908) | (1,008,506) |
| Change in NEEDS lost in basic funding calculation | 0 | 7,608,280 | 7,874,570 | 8,071,434 |
| Higher System Averaging adjustment | 0 | 11,542,668 | 0 | 0 |
| Higher NEEDS stabilization | 0 | 3,627,292 | 3,627,292 | 3,717,974 |
| All other items (to calculated aid) | 0 | 253,156 | (215,799) | (19,607) |
| Adjust out year yield factor for \$1 LER | 0 | 0 | (11,114,692) | (11,392,559) |
| Prior yr deficiencies/negative balances/other | 0 | (34,188) | 0 | 0 |
| Total Change | 0 | 7,627,682 | (812,537) | (631,263) |
| February 2012 Update per NDE | 821,840,899 | 852,080,043 | 1,026,717,907 | 1,115,286,886 |
| Change from Sine Die to October Joint Meeting | | (50,449,537) | 48,862,419 | 97,647,742 |
| Change from October Joint Meeting to December revision | | 15,545,753 | 31,558,955 | 34,606,305 |
| Change from December revision to Feb NDE release | -- | 7,627,682 | (812,537) | (631,263) |
| Total Change since Sine Die 2011 | | (27,276,102) | 79,608,837 | 131,622,784 |

Homestead Exemption (Dept. of Revenue)

Based on the total certified amounts received from the counties the amount needed to cover the homestead exemption reimbursements is \$68,100,000 which is \$4,200,000 less than the \$72,300,000 current FY11-12 appropriation. Based on this actual experience, the FY12-13 amount was reduced by \$5,200,000 from \$77,700,000 to \$72,500,000.

The Department indicates that there were 1,481 few qualified applicants for the Homestead Exemption for the current year. Given the state of the national economy this reduction seems counter-intuitive, especially when coupled with the increase in Nebraska's population of individuals over the age of 65. However, for 2010, the total federal adjusted gross income (AGI) for Nebraska residents age 65 and older increased 10.3% over 2009, compared to a 3.7% increase for all Nebraska resident taxpayers over the same period. The increase income for the 65 and older age group would account for most of the reduction in the Homestead Exemption.

Child Welfare Deficit (DHHS)

In FY2010-11 there was a substantial increase in child welfare costs as part of the privatization. Eight different contract amendments were financed by a reallocation of un-utilized funds from other aid programs within budget program 347, additional federal funds available to offset General funds, and reappropriations from the prior biennium. The contract amounts for FY2011-12 were substantially lower than the FY2010-11 actual spending level. Based on discussion with the two lead contractors last fall the lower funding levels would have been adequate if there was 15% reduction in children served which subsequently did not happen and led to the shortfall of funding.

In late February, the Dept of Health and Human Services (DHHS) sent a letter to the chairpersons of the Appropriations Committee and Health and Human Services Committee informing them that DHHS and KVC Nebraska had agreed that KVC would no longer provide case management and related services effective March 1. This letter further requested a significant increase in funding for the child welfare system for the remainder of FY2011-12 and FY2012-13. These requested increases included the following:

Staffing and caseload ratios. These funds would be for staffing of the Southeast Service Area and increase staffing in the Western, Central, and Northern Service Areas and for resource development. Staffing levels would be at the Child Welfare League of America (CWLA) standards of 1:16 children for out of home services and 1:17 families for in-home/family preservation. (\$4,832,075 FY2011-12, \$13,516,782 FY2012-13)

Nebraska Families Collaborative (NFC) Eastern Service Area. These funds include \$4.6 million for NFC to assume case management for the KVC families in the Eastern Service Area and an additional \$2.1 million for service costs. (\$6,790,592 FY2011-12)

State Costs, assume KVC contract in Southeast Service Area. This would be funds in addition to the remainder of the KVC contract amounts to contract for services in the Southeast Service Area. (\$2,472,974 FY2011-12)

Transition Costs to KVC These funds are divided into two areas. First is \$4.2 million identified by KVC as necessary to ensure payment to subcontractors. Second, \$1.8 million is included for transition costs and access to computer systems and equipment and satisfaction of any potential claim arising from immediate termination of services under the contract. (\$6,000,000 FY2011-12).

DHHS and NFC Case Management and Related Services, FY2012-13. DHHS indicated that calculations were prepared as to case management and contract funding needs for child welfare for FY2012-13. These calculations include an assumed 5% reduction in total number of

children, a shift of children from out-of-home to in-home placement, and a variety of other actions. To meet this projected need requires an additional \$6,200,564 in FY2012-13 above the amount currently budgeted.

With respect to financing, funding for the FY2011-12 deficit funding comes from reallocation of unused funds in several other DHHS budget programs. Financing the additional funds for FY2012-13 is \$2,700,000 federal funds and a new General Fund appropriation of \$17,017,346.

| <u>Use of Funds</u> | <u>FY2011-12</u> | <u>FY2012-13</u> | <u>2 Yr Total</u> |
|--|------------------|------------------|-------------------|
| Caseloads, Child Welfare League standard | 4,832,075 | 13,516,782 | 18,348,857 |
| NFC, assume KVC in ESA | 6,790,592 | 0 | 6,790,592 |
| Services, SESA | 2,472,974 | 0 | 2,472,974 |
| KVC transition - subcontractors | 4,200,000 | 0 | 4,200,000 |
| KVC transition - support | 1,800,000 | 0 | 1,800,000 |
| DHHS & NFC, case mgmt and service costs | 0 | 6,200,564 | 6,200,564 |
| Subtotal - Services | 15,263,566 | 6,200,564 | 21,464,130 |
| Total Use of Funds | 20,095,641 | 19,717,346 | 39,812,987 |
| | | | |
| <u>Source of Funds</u> | <u>FY2011-12</u> | <u>FY2012-13</u> | <u>2 Yr Total</u> |
| New General Funds | 0 | 17,017,346 | 17,017,346 |
| Federal Funds | 0 | 2,700,000 | 2,700,000 |
| Reallocate - Other programs | 18,595,643 | 0 | 18,595,643 |
| Lapse FY2010-11 reappropriation | 1,500,000 | 0 | 1,500,000 |
| Total Source of Funds | 20,095,643 | 19,717,346 | 39,812,989 |

Child Care Deficit (DHHS)

The Department requested increased appropriations in FY2012 and FY2013 for the Child Care Subsidy Program. DHHS has seen a steady growth in expenditures in the Child Care Program from FY09 to the current fiscal year. In FY 09, expenditures were \$75.5 million for 17,282 recipients. In FY 10, expenditures increased to \$85.3 million, up 13% for 18,576 recipients, an increase of 7.5%. FY 11 expenditures were up by 8.5% to \$92.6 million. Recipients increased to 19,580 in FY 11 or by 5.4%. For the first half of FY12, expenditures were \$51 million. The total budgeted amount for FY 12 is \$87.2 million. The projected shortfall of \$12 million was greater than the amount requested by the agency; part of this shortfall was anticipated to be made up by anticipated savings in other programs within the public assistance program. The Governor recommended and the Committee concurred in funding the entire \$12 million deficit.

Reduced Medicaid Match Rate (DHHS)

The federal medical assistance percentage (FMAP) was reduced to 56.64% for FFY 2012, down from 58.44% in FFY 2011. The FMAP was expected to stay at this lower level through the FY12/FY13 biennium, but instead was reduced further to 55.76% for FFY2013. The base FMAP is also used in the calculation of the enhanced Children's Health Insurance Program (CHIP) match rate. The enhanced FMAP for CHIP was reduced to 69.65% for Federal Fiscal Year 2012, down from 70.91% in FFY2011. The enhanced FMAP was expected to stay the same at this lower level through the FY2012-FY2013 biennium, but instead was reduced further to 69.03% for FFY2013. The FMAP affects multiple programs as shown below.

| <u>Program</u> | <u>Type</u> | <u>FY2011-12</u> | <u>FY2012-13</u> |
|--|-------------|------------------|------------------|
| 33 Developmental disability service coordination | Oper | 0 | 103,746 |
| 38 Behavioral health aid | Aid | 0 | 181,196 |
| 344 Childrens Health Insurance (SCHIP) | Aid | 0 | 297,950 |
| 347 Public Assistance | Aid | 0 | 395,987 |
| 348 Medicaid | Aid | 0 | 9,671,447 |
| 365 Mental Health operations | Oper | 0 | 28,632 |
| 421 Beatrice State Develop Center (BSDC) | Oper | 0 | 276,441 |
| 424 Developmental disability aid | Aid | 0 | 1,473,939 |
| Total GF impact of FMAP change | | 0 | 12,429,338 |

Child Support Incentive Federal Match Change (DHHS)

Beginning October 1, 2010, the Federal Government no longer allows Child Support Incentive dollars to be used as state matching funds to generate federal dollars in Child Support. During FY11 and FY12, DHHS has spent down the incentive balance and will need additional general funds to maintain current expenditure levels. A \$1.8 million General Fund reduction was adopted during the November, 2009 Special Session for FY10 and FY11 and built into the base budget for the current biennium. A deficit request was made a year ago, but was not addressed as there was a possibility that federal action would allow continued use of incentive funds as state match. That federal action did not occur.

Revised Program Costs, DHHS Programs (DHHS)

The Governors recommendation included reductions in five areas where an evaluation of year to date expenditures or other factors indicate excess appropriations in those programs. Actual year-to-date expenditure experience relates to the reductions in SCHIP and Medicaid. The reduction for the Beatrice State Developmental Center (BSDC) is based on the expectation that the census at the facility will continue to decline. The reduction for the Norfolk Sex Offender Treatment program relates to rebasing the program budget based on a census that has stabilized at a number closer to 70 significantly lower than planned. And for the Veterans

Homes, the availability of additional federal funds allows for the reduction of General Fund support without reducing the overall operating budgets of the four veterans' homes. The total savings in the Governors recommendation was \$7.5 million. The Appropriations Committee proposed budget also includes reductions but in most cases at a somewhat lower level totaling \$5.95 million as shown below.

| | FY2011-12 | FY2012-13 |
|---|-------------|-------------|
| 344 Children's Health Insurance SCHIP | (1,000,000) | (1,000,000) |
| 348 Medicaid | (3,000,000) | (3,000,000) |
| 421 Beatrice State Developmental Center BSDCO | 0 | (700,000) |
| 421 Veterans Homes | (500,000) | (500,000) |
| 870 Norfolk Sex Offender Treatment program | (750,000) | (750,000) |
| Total | (5,250,000) | (5,950,000) |

Partial Restoration of Medicaid Provider Rate Cut (DHHS)

In the 2011 legislative session, the Governor recommended a 5% cut in Medicaid health care provider rates in FY2011-12. Primary care codes were excluded from the reduction. A 4% reduction was included in the Appropriations Committee preliminary budget but ultimately lowered to a 2.5% in their final proposal and was enacted at the 2.5% level.

In light of an improved financial status and lower than projected Medicaid expenditures, the Appropriations Committee proposal includes \$9.7 million in FY2012-13 to restore the equivalent of 1.5% of this 2.5% cut.

Medicaid Program Changes (DHHS)

In December 2011 the Dept. of Health and Human Services System sent a letter to senators informing them that the Department proposed submitting necessary State Plan Amendments and/or waivers and amending Medicaid regulations in order to implement a variety of cost saving measures. These included changes to several copay requirements, limiting home health care services to 240 hours, eliminating private duty nursing services, implementing a nursing level of care requirement for personal assistant services and limiting the number of hours, eliminating coverage of certain nutritional supplements, and limiting behavioral health therapy visits to 60 per year. The Governor's recommendation included \$3,382,913 General Fund savings with a January 1, 2013 implementation date of these changes.

The Appropriations Committee proposal does not include any savings related to these proposed changes.

Increased Staffing, Office of Juvenile Services (DHHS)

Per the Department of Health and Human Services request, the committee proposal includes funding for additional 18 FTE at the two Youth Rehabilitation and Treatment Centers at Kearney and Geneva (YRTC-Geneva). This includes ten Youth Security Specialists and six Licensed Mental Health Providers at the YRTC-Kearney and one Therapeutic Recreational Specialist and one Registered Nurse at the YRTC-Geneva:

Many youth committed to OJS custody have behavioral health/sex offender treatment needs and additional staff who specialize in these areas are needed. Length of stay has remained stable at the YRTC-Kearney over the last six months however, the YRTC-Kearney has seen an increase in the census over the last several months. From June to October 2011 234 youth were committed to Kearney compared to 191 from January to May 2011. The average monthly census increased from 147 in FY2010-11 to 167 through November 2011. Geneva is stable with an average monthly census of 81 in FY 11 and 78 through November.

Direct care staff levels at YRTC-Kearney need to meet the 1:8 ratio to reflect a staffing pattern that is appropriate for intensive therapeutic programming. The average direct care staff to youth ratio is currently 1:17. Increased staffing levels should provide a safer environment for youth and staff by bringing the ratio of youth to staff lower to meet the acceptable national average for safety/security.

Developmental Disability Waiting List (DHHS)

The Committee proposal includes an additional \$3,600,000 General Funds and \$4,059,574 Federal Funds in FY2012-13 for aid to persons with developmental disabilities. The funds are to be used to serve approximately 212 persons from the waiting list. There are currently about 1,769 persons waiting for services.

The Committee proposal also includes \$400,000 General Funds and \$400,000 Federal Funds for service coordination staff to provide assistance to persons being offered services.

Governors Emergency Program (Military Dept.)

The Nebraska Emergency Management Agency (NEMA) requested an \$8.9 million supplemental appropriation to the Governor's Emergency Program. Since 2006, Nebraska has experienced the most active and costly disaster period on record. From 1991 through 2005, there were 13 federal emergency/disaster declarations for an average of less than 1 disaster declaration per year. In the last six years the state has experienced a total of 23 federal emergency/disaster declarations, or an average of 3.8 declarations per year. In dollar terms, the average yearly cost

of disasters from 1991 through 2005 was \$543,272 in contrast to a \$5,002,695 average from 2006 through 2011.

Even though there is a current balance of \$14.27 million dollars in Program 192 (as of Nov. 30, 2011), the obligations remaining for current open disasters total \$18.12 million. Based upon these estimates, there exists a \$3.85 million dollar shortfall in the Governor's Emergency Program. To take care of this shortfall and reestablish the \$5 million dollar base, an \$8.9 million dollar supplemental appropriation is requested.

Veterinary Diagnostic Center (University of Nebraska - IANR)

The FY2012-13 recommendation includes funding for the design and construction of a Veterinary Diagnostic Center at the University of Nebraska Institute of Agriculture and Natural Resources. Funding for the project is subject to the approval of the Coordinating Commission for Postsecondary Education. The current Veterinary Diagnostic facility, built in 1975, has deficiencies due to problems involving ventilation, building design, risk of cross-contamination, lack of space and accessibility to people with disabilities. The total project cost is estimated at \$55,000,000 of which \$50,000,000 is from state funds and \$5,000,000 is from private or other. The project is to be debt financed through the University of Nebraska Facilities Corporation over a 10-year period. It is the intent of the Legislature that the annual debt service of \$6,093,000 be appropriated from the General Fund. The FY2012-13 recommendation includes the first annual debt service payment of \$6,093,000 General Funds. State funds may not be allotted until the private or other funds have been received by the Board of Regents.

Total Appropriations – All Funds

Table 10 shows the total appropriation from all fund sources as enacted in the 2011 legislative session with the Appropriations Committee proposal for budget adjustments in the 2012 session.

Table 10 Total Appropriations - All Funds

| FY2010-11 | General | Cash | Federal | Rev/Other | Total |
|---|----------------------|----------------------|----------------------|--------------------|----------------------|
| Adjusted Per 2010 Session | 3,405,101,292 | 1,786,208,029 | 2,783,940,522 | 733,611,968 | 8,708,861,811 |
| 2011 Session Deficits | (27,202,366) | 2,470,159 | 38,500,000 | 0 | 13,767,793 |
| 2011 Session State Claims | 1,702,254 | 99,966 | 0 | 1,316,287 | 3,118,507 |
| Final Appropriation per 2011 Session | 3,379,601,180 | 1,788,778,154 | 2,822,440,522 | 734,928,255 | 8,725,748,111 |
| FY2011-12 | General | Cash | Federal | Rev/Other | Total |
| Total Per 2011 Session | 3,468,389,234 | 1,848,428,337 | 2,636,058,658 | 740,656,170 | 8,693,532,399 |
| Special Session adjustments | 2,142,695 | 0 | 0 | 0 | 2,142,695 |
| Total Per 2011 Special Session | 3,470,531,929 | 1,848,428,337 | 2,636,058,658 | 740,656,170 | 8,695,675,094 |
| 2012 Session-Committee Proposed | 13,772,751 | 4,336,560 | (5,557,915) | 600,000 | 13,151,396 |
| 2012 Session State Claims | 0 | 0 | 0 | 0 | 0 |
| 2012 Session Floor Actions | 0 | 0 | 0 | 0 | 0 |
| 2012 Session Vetoes | 0 | 0 | 0 | 0 | 0 |
| 2012 Session Overrides | 0 | 0 | 0 | 0 | 0 |
| 2012 Session "A" bills | 0 | 0 | 0 | 0 | 0 |
| <i>2012 Deficits</i> | 13,772,751 | 4,336,560 | (5,557,915) | 600,000 | 13,151,396 |
| Final Total - 2012 Session | 3,484,304,680 | 1,852,764,897 | 2,630,500,743 | 741,256,170 | 8,708,826,490 |
| Change over prior year (w ithout deficits) | | | | | |
| Dollar | 65,430,637 | 62,220,308 | (147,881,864) | 7,044,202 | (13,186,717) |
| Percent | 1.9% | 3.5% | -5.3% | 1.0% | -0.2% |
| FY2012-13 | General | Cash | Federal | Rev/Other | Total |
| Total Per 2011 Session | 3,590,831,179 | 1,797,324,048 | 2,635,350,476 | 732,518,824 | 8,756,024,527 |
| 2012 Session-Committee Proposed | 27,244,599 | 2,728,322 | 1,041,190 | 79,500,000 | 110,514,111 |
| 2012 Session Floor Actions | 0 | 0 | 0 | 0 | 0 |
| 2012 Session Vetoes | 0 | 0 | 0 | 0 | 0 |
| 2012 Session Overrides | 0 | 0 | 0 | 0 | 0 |
| 2012 Session "A" bills | 0 | 0 | 0 | 0 | 0 |
| <i>2012 Session Midbiennium Actions</i> | 27,244,599 | 2,728,322 | 1,041,190 | 79,500,000 | 110,514,111 |
| Total Per 2012 Session | 3,618,075,778 | 1,800,052,370 | 2,636,391,666 | 812,018,824 | 8,866,538,638 |
| Change over prior year (w ithout deficits) | | | | | |
| Dollar | 147,543,849 | (48,375,967) | 333,008 | 71,362,654 | 170,863,544 |
| Percent | 4.3% | -2.6% | 0.0% | 9.6% | 2.0% |

While a complete listing of all items is contained in Appendix A, the major cash and federal items are shown in Table 11 below.

WITH RESPECT TO CASH AND FEDERAL FUNDS, MOST OF THE ITEMS LISTED ARE RELATED TO A GENERAL FUND ISSUE DESCRIBED IN THE GENERAL FUND SECTION. For the largest cash fund item and the NCCF items a narrative description follows Table 11.

Table 11 Significant Cash and Federal Fund Budget Adjustments – 2012 Session

| Major Items - Cash Funds | FY2011-12 | FY2012-13 | 2 Yr Total |
|---|--------------------|-------------------|--------------------|
| Convention Center Support Fund | 2,417,420 | 0 | 2,417,420 |
| Affordable housing funds from cash reserve (LB1017) | 0 | 1,000,000 | 1,000,000 |
| Major Oil Pipeline Siting Act | 541,687 | 542,643 | 1,084,330 |
| Early Childhood Training Center Cash Fund | 400,000 | 400,000 | 800,000 |
| Reorganization Incentive Cash Appropriation | 212,958 | 212,958 | 425,916 |
| Olympic Team Travel assistance (LB955) | 250,000 | 0 | 250,000 |
| All Other | 514,495 | 572,721 | 1,087,216 |
| TOTAL CASH FUNDS | 4,336,560 | 2,728,322 | 7,064,882 |
| Major Items - Federal Funds | FY2011-12 | FY2012-13 | 2 Yr Total |
| Provider rate increase - Medicaid | 0 | 12,472,424 | 12,472,424 |
| Developmental disability, waiting list aid (LB 901) | 0 | 4,059,574 | 4,059,574 |
| Child welfare deficit, staffing / caseloads - Admin | 0 | 2,700,000 | 2,700,000 |
| Lower 2013 FMAP | 0 | (12,429,338) | (12,429,338) |
| Revised program cost estimates, Medicaid | (3,991,378) | (3,815,084) | (7,806,462) |
| Revised program cost estimates (SCHIP) | (2,330,003) | (2,245,699) | (4,575,702) |
| All Other | 763,466 | 299,313 | 1,062,779 |
| TOTAL FEDERAL FUNDS | (5,557,915) | 1,041,190 | (4,516,725) |
| Major Items – NCCF / Revolving | FY2011-12 | FY2012-13 | 2 Yr Total |
| DHHS - Bridges Program cash flow (NCCF) | 550,000 | (550,000) | 0 |
| State Colleges - Chadron Armstrong Gym (NCCF) | 0 | 6,700,000 | 6,700,000 |
| State Colleges - Peru Oak Bowl improvements (NCCF) | 0 | 7,500,000 | 7,500,000 |
| University - UNK Allied Health (NCCF) | 0 | 15,000,000 | 15,000,000 |
| University - UNMC Cancer Research tower (NCCF) | 0 | 50,000,000 | 50,000,000 |
| DAS - Centennial Mall project (NCCF) | 0 | 800,000 | 800,000 |
| All Other (Revolving) | 50,000 | 50,000 | 100,000 |
| TOTAL NCCF / REVOLVING FUNDS | 600,000 | 79,500,000 | 80,100,000 |

Convention Center Support Fund

The Convention Center Facility Financing Assistance Act (as amended by LB551-2007) provides that sales tax revenue collected by retailers and operators doing business at an approved convention and meeting center facility, sports arena facility, or associated hotel be allocated to the Convention Center Support Fund. Of this amount, 70% goes back to the relevant political subdivision and 30% goes to the Local Civic, Cultural, and Convention Center Financing Fund. A total of \$3,453,457 was certified to be credited to the Convention Center Support Fund of which \$2,417,420 is remitted back to Omaha and \$1,036,037 transferred to the Local Civic, Cultural, and Convention Center Financing Fund.

Chadron State College – Armstrong Gymnasium

For 2012-13, an appropriation of \$6,700,000 is recommended in order to undertake construction of an addition to and renovation of Armstrong Gymnasium at Chadron State College. The project has been approved by the Coordinating Commission for Postsecondary Education. The recommended appropriation would effectively be contingent upon an additional \$2,000,000 of private and other funds to be secured by the college to supplement state funds for the project. The existing structure was built in 1964 prior to substantial growth in women's athletics. No major renovation of the facility has been undertaken since its original construction. Heating and ventilation systems date to original construction and the building lacks air conditioning. Various space deficiencies of the current facility cited by the college include: an arena undersized to accommodate crowds at athletic events, commencement and other large gatherings; undersized weight and training rooms that result in unsafe and overcrowded conditions; inadequate office space for coaches and administrative support; and, locker rooms that are not compliant with current codes or ADA guidelines.

Peru State College – Oak Bowl

An appropriation of \$7,500,000 for 2012-13 is recommended to undertake renovation of and improvements to the Oak Bowl at Peru State College. Of this amount, \$5,000,000 is recommended without specific limitation. The \$2,500,000 balance of the recommended appropriation would effectively be contingent upon an additional \$1,500,000 of private and other funds to be secured by the college to supplement state funds for the project. State funding for the project is subject to the approval of the Coordinating Commission for Postsecondary Education. The Oak Bowl (site of the college's football field) and its facilities were constructed in several phases beginning in 1900. Concrete stadium bleachers were constructed during the 1950s. Elements of proposed improvements to and renovation of the existing facility include: eliminating safety issues associated with steep inclines and hazardous drop-offs and eliminating accessibility barriers; improvements to the playing field; eliminating drainage problems throughout the facility including eliminating an open drainage ditch around

the perimeter of playing field; resolving inadequacies of existing stadium seating, restroom facilities, locker room facilities, press box and concession area.

UNMC College of Nursing and School of Allied Health Professions – Kearney Division

The FY2012-13 recommendation includes funding for the design and construction of an addition to the Bruner Hall of Science at the University of Nebraska at Kearney. The funding for the project is subject to the approval of the Coordinating Commission for Postsecondary Education. The addition would allow expansion of the UNK-based UNMC nursing program as well as the establishment of a UNK-based UNMC allied health professions program. Allied health programs include physical therapy, physician assistant, clinical laboratory science, diagnostic medical sonography and radiography. The current nursing facility is outdated and has space deficiencies. The total cost for the project is estimated at \$18,000,000 of which \$15,000,000 is from state funds and \$3,000,000 is from private or other funds. The \$15,000,000 in state funds may not be allotted until the \$3,000,000 in private or other funds have been received by the Board of Regents.

UNMC Cancer Research Tower

The FY2012-13 recommendation includes funding for the design and construction of a cancer research tower at the University of Nebraska Medical Center that includes 250,000 square feet and 98 new laboratories dedicated to cancer research. The funding for the project is subject to the approval of the Coordinating Commission for Postsecondary Education. The research tower is one part of a \$370,000,000 cancer center project that would also include an outpatient facility and an inpatient cancer treatment center. The total project cost for the cancer research tower is estimated at \$110,000,000 of which \$50,000,000 is from state funds and \$60,000,000 is from private or other funds. State funds may not be allotted in two phases until private or other funds have been received by the Board of Regents.

Centennial Mall Improvements

An appropriation of \$800,000 for 2012-13 is recommended to aid and assist the City with planned Centennial Mall renovations and improvements. The Centennial Mall revitalization budget is estimated at just over \$8,046,000. This excludes \$1,500,000 planned to establish an endowment to support future repairs and maintenance of the mall. The \$800,000 recommended state funding would supplement local public funding to include \$3,500,000 committed by the City of Lincoln and \$500,000 committed by Lancaster County. The balance of funding for the project is planned to be supported by contributions from individuals, corporations, foundations and other sources.

Appendix A

Detailed Listing of All Budget Adjustments

| | Fund | Current Biennium | | Est for Following Biennium | |
|--|------|------------------|--------------|----------------------------|-------------|
| | | FY2011-12 | FY2012-13 | FY2013-14 | FY2014-15 |
| #03-Legislative Council | | | | | |
| 123 Cash fund authority, Lobby Registration Fund | Cash | 0 | 20,000 | 20,000 | 20,000 |
| #05-Supreme Court | | | | | |
| 435 Increase in PSL, Probation (\$40,640 FY12, \$77,000 FY13) | PSL | YES | YES | YES | YES |
| 570 Increase in PSL, Court Automation (\$35,100 FY12, \$61,575 FY13) | PSI | YES | YES | YES | YES |
| #10-State Auditor | | | | | |
| 525 Additional Contracts | Cash | 30,000 | 30,000 | 30,000 | 30,000 |
| #11-Attorney General | | | | | |
| 507 Funding to address SLEBEC retirement lawsuit | Gen | 30,000 | 20,000 | 0 | 0 |
| #12-State Treasurer | | | | | |
| 665 Convention Center Support Fund | Cash | 2,417,420 | 0 | 0 | 0 |
| #13-Dept of Education | | | | | |
| 25 Early Childhood Training Center Cash Fund | Cash | 400,000 | 400,000 | 400,000 | 400,000 |
| 25 Poverty/Limited English plan reviews (LB1024) | Gen | 75,000 | 75,000 | 75,000 | 75,000 |
| 25 Revolving Fund Appropriation | Rev | 50,000 | 50,000 | 50,000 | 50,000 |
| 158 TEEOSA state aid, adjust to certified | Gen | 0 | (27,574,876) | 79,302,594 | 131,308,884 |
| 158 Reorganization Incentive Cash Appropriation | Cash | 212,958 | 212,958 | 212,958 | 212,958 |
| 351 Vocational Rehabilitation Services Cash Appropriation | Cash | 200,000 | 0 | 0 | 0 |
| 614 PSL Increase - Professional Practices (\$990 FY12) | PSL | YES | 0 | 0 | 0 |

| | | Current Biennium | | Est for Following Biennium | | |
|--------------------------------------|--|------------------|-------------|----------------------------|-------------|-------------|
| | | Fund | FY2011-12 | FY2012-13 | FY2013-14 | FY2014-15 |
| #14-Public Service Commission | | | | | | |
| 686 | Additional admin assistant, Nebr Telephone Assistance NTAP | Cash | 0 | 51,792 | 51,792 | 51,792 |
| 54 | Major Oil Pipeline Siting Act | Gen | 10,225 | 0 | 0 | 0 |
| 54 | Major Oil Pipeline Siting Act | Cash | 541,687 | 542,643 | 542,643 | 542,643 |
| #16-Dept of Revenue | | | | | | |
| 108 | Homestead Exemption | Gen | (4,200,000) | (5,200,000) | (5,200,000) | (5,200,000) |
| #24-Dept of Motor Vehicles | | | | | | |
| 70 | Commercial Drivers License (CDL) program manager position | Cash | 0 | 64,574 | 64,574 | 64,574 |
| #25-HHS System | | | | | | |
| 33 | Child Support Incentive Federal Match Change | Gen | 0 | 2,630,843 | 2,630,843 | 2,630,843 |
| 33 | Economic Assistance Caseload Increases | Gen | 322,014 | 161,007 | 161,007 | 161,007 |
| 33 | Economic Assistance Caseload Increases | Fed | 263,466 | 171,733 | 171,733 | 171,733 |
| 33 | Continue transfer of funds for privatization of case management | Gen | 0 | 0 | 0 | 0 |
| 33 | Continue transfer of funds for privatization of case management | Fed | 0 | 0 | 0 | 0 |
| 33 | Targeted developmental disability service coordination | Gen | 0 | 127,580 | 127,580 | 127,580 |
| 33 | Targeted developmental disability service coordination | Fed | 0 | 127,580 | 127,580 | 127,580 |
| 33 | Developmental disability, waiting list service coordination (LB 901) | Gen | 0 | 400,000 | 400,000 | 400,000 |
| 33 | Developmental disability, waiting list service coordination (LB 901) | Fed | 0 | 400,000 | 400,000 | 400,000 |
| 250 | Increased OJS Staffing | Gen | 225,000 | 905,000 | 905,000 | 905,000 |
| 178 | Transfer Cash approp from Public Health to Prof. Licensure | Cash | 96,512 | 96,512 | 96,512 | 96,512 |
| 179 | Transfer Cash approp from Public Health to Prof. Licensure | Cash | (96,512) | (96,512) | (96,512) | (96,512) |
| 344 | Revised program cost estimates (SCHIP) | Gen | (1,000,000) | (1,000,000) | (1,000,000) | (1,000,000) |
| 344 | Revised program cost estimates (SCHIP) | Fed | (2,330,003) | (2,245,699) | (2,245,699) | (2,245,699) |

| | Fund | Current Biennium | | Est for Following Biennium | |
|---|------|------------------|--------------|----------------------------|--------------|
| | | FY2011-12 | FY2012-13 | FY2013-14 | FY2014-15 |
| 344 Cash flow, health care cash fund monies to poison control | Cash | 0 | 200,000 | 200,000 | 200,000 |
| 347 Child Care Deficit | Gen | 12,000,000 | 12,000,000 | 12,000,000 | 12,000,000 |
| 347 Continue transfer of funds for privatization of case management | Gen | 0 | 0 | 0 | 0 |
| 347 Continue transfer of funds for privatization of case management | Fed | 0 | 0 | 0 | 0 |
| 347 Nurse visitation services (LB 1048) | Gen | 0 | 250,000 | 250,000 | 250,000 |
| 348 Revised program cost estimates, Medicaid | Gen | (3,000,000) | (3,000,000) | (3,000,000) | (3,000,000) |
| 348 Revised program cost estimates, Medicaid | Fed | (3,991,378) | (3,815,084) | (3,815,084) | (3,815,084) |
| 348 Partial restoration of provider rate cut - Medicaid | Gen | 0 | 9,660,143 | 9,660,143 | 9,660,143 |
| 348 Partial restoration of provider rate cut - Medicaid | Fed | 0 | 12,472,424 | 12,472,424 | 12,472,424 |
| 421 Revised program cost estimates, BSDC | Gen | 0 | (700,000) | (700,000) | (700,000) |
| 421 Revised program cost estimates, BSDC | Fed | 0 | (900,000) | (900,000) | (900,000) |
| 421 Increase PSL, contracted staff to permanent employees, BSDC | PSL | YES | YES | YES | YES |
| 424 Developmental disability, waiting list aid (LB 901) | Gen | 0 | 3,600,000 | 3,600,000 | 3,600,000 |
| 348 Developmental disability, waiting list aid (LB 901) | Fed | 0 | 4,059,574 | 4,059,574 | 4,059,574 |
| 502 Change distribution, aid to federally qualified health centers | Gen | 0 | (9,334) | (9,334) | (9,334) |
| 519 Revised program cost estimates (fund shift), Veterans Homes | Gen | (500,000) | (500,000) | (500,000) | (500,000) |
| 519 Revised program cost estimates (fund shift), Veterans Homes | Fed | 500,000 | 500,000 | 500,000 | 500,000 |
| 870 Revised program cost estimates, Norfolk Sex Offender Treatment | Gen | (750,000) | (750,000) | (750,000) | (750,000) |
| 33 Lower 2013 FMAP - Developmental disability service coordination | Gen | 0 | 103,746 | 103,746 | 103,746 |
| 33 Lower 2013 FMAP - Developmental disability service coordination | Fed | 0 | (103,746) | (103,746) | (103,746) |
| 38 Lower 2013 FMAP - Behavioral health aid | Gen | 0 | 181,196 | 181,196 | 181,196 |
| 344 Lower 2013 FMAP - Childrens Health Insurance (SCHIP) | Gen | 0 | 297,950 | 297,950 | 297,950 |
| 344 Lower 2013 FMAP - Childrens Health Insurance (SCHIP) | Fed | 0 | (297,950) | (297,950) | (297,950) |
| 347 Lower 2013 FMAP - Public Assistance | Gen | 0 | 395,987 | 395,987 | 395,987 |
| 347 Lower 2013 FMAP - Public Assistance | Fed | 0 | (395,987) | (395,987) | (395,987) |
| 348 Lower 2013 FMAP - Medicaid | Gen | 0 | 9,671,447 | 9,671,447 | 9,671,447 |
| 348 Lower 2013 FMAP - Medicaid | Fed | 0 | (11,326,582) | (11,326,582) | (11,326,582) |

| | Fund | Current Biennium | | Est for Following Biennium | |
|--|------|------------------|------------|----------------------------|------------|
| | | FY2011-12 | FY2012-13 | FY2013-14 | FY2014-15 |
| 365 Lower 2013 FMAP - Mental Health operations | Gen | 0 | 28,632 | 28,632 | 28,632 |
| 365 Lower 2013 FMAP - Mental Health operations | Fed | 0 | (28,632) | (28,632) | (28,632) |
| 421 Lower 2013 FMAP - Beatrice State Develop Center (BSDC) | Gen | 0 | 276,441 | 276,441 | 276,441 |
| 421 Lower 2013 FMAP - Beatrice State Develop Center (BSDC) | Fed | 0 | (276,441) | (276,441) | (276,441) |
| 424 Lower 2013 FMAP - Developmental disability aid | Gen | 0 | 1,473,939 | 1,473,939 | 1,473,939 |
| 33 Child welfare deficit, staffing / caseloads - Admin | Gen | 4,800,000 | 10,816,782 | 10,816,782 | 10,816,782 |
| 33 Child welfare deficit, staffing / caseloads - Admin | Fed | 0 | 2,700,000 | 2,700,000 | 2,700,000 |
| 347 Child welfare shortfall - Public Assistance | Gen | 15,295,642 | 6,200,564 | 6,200,564 | 6,200,564 |
| 32 Child welfare shortfall, reallocate from prescription drug | Gen | LAPSE | 0 | 0 | 0 |
| 38 Child welfare shortfall - reallocate from behavioral health aid | Gen | (3,700,000) | 0 | 0 | 0 |
| 344 Child welfare shortfall - reallocated from SCHIP | Gen | (300,000) | 0 | 0 | 0 |
| 348 Child welfare shortfall - reallocate from Medciaid | Gen | (14,595,642) | 0 | 0 | 0 |

#28-Dept of Veterans Affairs

| | | | | | |
|---|-----|-----|---|---|---|
| 36 Increase FY 2012 Personal Service Limitation (\$36,800 FY12) | PSL | YES | 0 | 0 | 0 |
|---|-----|-----|---|---|---|

#31-Military Dept

| | | | | | |
|---------------------------------|-----|-----------|---|---|---|
| 192 Governors Emergency program | Gen | 8,900,000 | 0 | 0 | 0 |
|---------------------------------|-----|-----------|---|---|---|

#33-Game and Parks Commission

| | | | | | |
|---|-----|--------|---|---|---|
| 549 One-time operation funds, Lake Wanahoo recreation area. | Gen | 51,000 | 0 | 0 | 0 |
|---|-----|--------|---|---|---|

#34-Library Commission

| | | | | | |
|-----------------------------------|-----|---|--------|--------|--------|
| 252 Digital Talking Book Supplies | Gen | 0 | 12,500 | 12,500 | 12,500 |
|-----------------------------------|-----|---|--------|--------|--------|

#37-Workers Compensation Court

| | | | | | |
|-----------------|------|--------|--------|--------|--------|
| 526 Judges FICA | Cash | 13,115 | 19,868 | 19,868 | 19,868 |
|-----------------|------|--------|--------|--------|--------|

| | | Current Biennium | | Est for Following Biennium | |
|--|---|------------------|-----------|----------------------------|-----------|
| Fund | | FY2011-12 | FY2012-13 | FY2013-14 | FY2014-15 |
| #39-Brand Committee | | | | | |
| 75 | Personal Vehicle Mileage | Cash | 88,000 | 0 | 0 |
| #48-Postsecondary Coordinating Commission | | | | | |
| 640 | Increase in cash fund spending authority | Cash | 5,465 | 5,465 | 5,465 |
| 640 | Request for Automation of ACE/ACE Plus | Gen | 31,900 | 3,324 | 3,324 |
| 691 | Access College Early Scholarship program, participation | Gen | 0 | 75,000 | 75,000 |
| #54-Historical Society | | | | | |
| 43 | DAS Copy Machine Replacement Base Rates | Gen | 10,233 | 10,233 | 10,233 |
| 43 | Historical Marker Repair | Gen | 5,000 | 5,000 | 5,000 |
| 43 | Historical Marker Repair | Cash | 45,000 | 45,000 | 45,000 |
| 43 | Utilities | Gen | 30,239 | 30,239 | 30,239 |
| 258 | Rent Increase, K Street facility | Gen | 13,540 | 16,248 | 16,248 |
| #60-Ethanol Board | | | | | |
| 534 | Harmonize timing of General Fund transfers to EPIC | Gen | YES | YES | YES |
| #65-Administrative Services | | | | | |
| 567 | Authorize additional use of Health & Life Admin Fund | Cash | New Fund | New Fund | New Fund |
| #72-Dept of Economic Development | | | | | |
| 134 | Reallocate, Rural Develop funds to Business Innovation grants | Gen | 0 | (156,396) | (156,396) |
| 603 | Reallocate, Rural Develop funds to Business Innovation grants | Gen | 0 | 156,396 | 156,396 |
| 601 | Affordable housing funds from cash reserve transfer (LB1017) | Cash | 0 | 1,000,000 | 0 |
| 618 | Olympic Team Trial assistance, Visitors Promotion Cash fund (LB955) | Cash | 250,000 | 0 | 0 |

| | | Current Biennium | | Est for Following Biennium | | |
|---|---|------------------|-----------|----------------------------|-----------|-----------|
| | | Fund | FY2011-12 | FY2012-13 | FY2013-14 | FY2014-15 |
| #75-Investment Council | | | | | | |
| 610 | Eliminate obsolete language relate to Commission recapture | Cash | YES | YES | YES | YES |
| #77-Commission of Industrial Relations | | | | | | |
| 490 | Commissioner Per Diems | Gen | 18,600 | 18,600 | 18,600 | 18,600 |
| #78-Crime Commission | | | | | | |
| 202 | Shift federal funds within Crime Victims Reparations Prog | Fed | 6,420 | 6,420 | 6,420 | 6,420 |
| 202 | Shift federal funds within Crime Victims Reparations Prog | Fed | (6,420) | (6,420) | (6,420) | (6,420) |
| #84-Dept of Environmental Quality | | | | | | |
| 513 | Staffing for Uranium Mining Oversight | Cash | 0 | 106,582 | 106,582 | 106,582 |
| #85-Public Employees Retirement Board | | | | | | |
| 41 | OCIO Support Maintenance Cost Increase | Cash | 19,550 | 19,550 | 19,550 | 19,550 |
| 41 | Transfer NPERS Infrastructure to OCIO | Cash | 27,140 | 9,890 | 9,890 | 9,890 |
| 41 | WebSphere 7.0 Upgrade | Cash | 86,225 | 0 | 0 | 0 |
| 515 | School and Patrol retirement plans, statutory contributions | Gen | 0 | 361,408 | 361,408 | 361,408 |
| Capital Construction Projects | | | | | | |
| 900 | DHHS - Bridges Program cash flow (NCCF) | Rev | 550,000 | (550,000) | (550,000) | (550,000) |
| 900 | DAS - Renovation of legislative space | Gen | 0 | 77,000 | 0 | 0 |
| 900 | University - IANR Veterinary Diagnostic Center (bond payment) | Gen | 0 | 6,093,000 | 6,093,000 | 6,093,000 |
| 900 | University - UNMC Cancer Research tower (NCCF) | Rev | 0 | 50,000,000 | 0 | 0 |
| 900 | University - UNK Allied Health (NCCF) | Rev | 0 | 15,000,000 | 0 | 0 |

| | | Current Biennium | | Est for Following Biennium | | |
|-----------------|--|------------------|-------------|----------------------------|-------------|-------------|
| Fund | | FY2011-12 | FY2012-13 | FY2013-14 | FY2014-15 | |
| 900 | State Colleges - Chadron Armstrong Gym (NCCF) | Rev | 0 | 6,700,000 | 0 | 0 |
| 900 | State Colleges - Peru Oak Bowl improvements (NCCF) | Rev | 0 | 7,500,000 | 0 | 0 |
| 900 | DAS - Centennial Mall project (NCCF) | Rev | 0 | 800,000 | 0 | 0 |
| General Funds | | | 13,772,751 | 27,244,599 | 134,025,069 | 186,031,359 |
| Cash Funds | | | 4,336,560 | 2,728,322 | 1,728,322 | 1,728,322 |
| Federal Funds | | | (5,557,915) | 1,041,190 | 1,041,190 | 1,041,190 |
| Revolving Funds | | | 600,000 | 79,500,000 | (500,000) | (500,000) |
| Total | | | 13,151,396 | 110,514,111 | 136,294,581 | 188,300,871 |

Appendix B

General Fund Appropriations by Agency

| | | FY2010-11 w/o deficits | FY2011-12 | | | FY2012-13 | | | Change over Prior Year (excludes deficits) | | | |
|-------------------------|-------|---------------------------|---------------------|------------------|-----------------------------|---------------------|-----------------|-----------------------------|--|----------|-------------|----------|
| | | | Per 2011 Session | 2012 Deficits | Revised Per 2012 Session | Per 2011 Session | 2012 Changes | Revised Per 2012 Session | FY12 | FY12 | FY13 | FY13 |
| | | | | | | | | | \$ Change | % Change | \$ Change | % Change |
| #03 Legislative Council | Oper | 17,550,553 | 17,871,857 | 0 | 17,871,857 | 17,977,091 | 0 | 17,977,091 | 321,304 | 1.8% | 105,234 | 0.6% |
| #03 Legislative Council | Total | 17,550,553 | 17,871,857 | 0 | 17,871,857 | 17,977,091 | 0 | 17,977,091 | 321,304 | 1.8% | 105,234 | 0.6% |
| #05 Supreme Court | Oper | 70,264,041 | 74,874,064 | 0 | 74,874,064 | 75,654,066 | 0 | 75,654,066 | 4,610,023 | 6.6% | 780,002 | 1.0% |
| #05 Supreme Court | Total | 70,264,041 | 74,874,064 | 0 | 74,874,064 | 75,654,066 | 0 | 75,654,066 | 4,610,023 | 6.6% | 780,002 | 1.0% |
| #07 Governor | Oper | 1,636,049 | 1,631,635 | 0 | 1,631,635 | 1,652,727 | 0 | 1,652,727 | (4,414) | -0.3% | 21,092 | 1.3% |
| #07 Governor | Total | 1,636,049 | 1,631,635 | 0 | 1,631,635 | 1,652,727 | 0 | 1,652,727 | (4,414) | -0.3% | 21,092 | 1.3% |
| #08 Lt. Governor | Oper | 143,285 | 143,423 | 0 | 143,423 | 143,610 | 0 | 143,610 | 138 | 0.1% | 187 | 0.1% |
| #08 Lt. Governor | Total | 143,285 | 143,423 | 0 | 143,423 | 143,610 | 0 | 143,610 | 138 | 0.1% | 187 | 0.1% |
| #09 Secretary of State | Oper | 448,368 | 442,212 | 0 | 442,212 | 444,708 | 0 | 444,708 | (6,156) | -1.4% | 2,496 | 0.6% |
| #09 Secretary of State | Total | 448,368 | 442,212 | 0 | 442,212 | 444,708 | 0 | 444,708 | (6,156) | -1.4% | 2,496 | 0.6% |
| #10 State Auditor | Oper | 2,343,098 | 2,147,685 | 0 | 2,147,685 | 2,184,391 | 0 | 2,184,391 | (195,413) | -8.3% | 36,706 | 1.7% |
| #10 State Auditor | Total | 2,343,098 | 2,147,685 | 0 | 2,147,685 | 2,184,391 | 0 | 2,184,391 | (195,413) | -8.3% | 36,706 | 1.7% |
| #11 Attorney General | Oper | 5,943,070 | 7,713,160 | 30,000 | 7,743,160 | 5,795,369 | 20,000 | 5,815,369 | 1,770,090 | 29.8% | (1,897,791) | -24.6% |
| #11 Attorney General | Total | 5,943,070 | 7,713,160 | 30,000 | 7,743,160 | 5,795,369 | 20,000 | 5,815,369 | 1,770,090 | 29.8% | (1,897,791) | -24.6% |
| #12 State Treasurer | Aid | 17,023,857 | 0 | 0 | 0 | 0 | 0 | 0 | (17,023,857) | -100.0% | 0 | na |
| #12 State Treasurer | Oper | 1,513,782 | 1,387,516 | 75,000 | 1,462,516 | 1,389,129 | 0 | 1,389,129 | (126,266) | -8.3% | 1,613 | 0.1% |
| #12 State Treasurer | Total | 18,537,639 | 1,387,516 | 75,000 | 1,462,516 | 1,389,129 | 0 | 1,389,129 | (17,150,123) | -92.5% | 1,613 | 0.1% |
| #13 Education | Aid | 1,006,343,095 | 1,008,042,169 | 0 | 1,008,042,169 | 1,068,008,001 | (27,574,876) | 1,040,433,125 | 1,699,074 | 0.2% | 32,390,956 | 3.2% |
| #13 Education | Oper | 17,662,993 | 15,972,467 | 0 | 15,972,467 | 16,097,774 | 75,000 | 16,172,774 | (1,690,526) | -9.6% | 200,307 | 1.3% |
| #13 Education | Total | 1,024,006,088 | 1,024,014,636 | 0 | 1,024,014,636 | 1,084,105,775 | (27,499,876) | 1,056,605,899 | 8,548 | 0.0% | 32,591,263 | 3.2% |
| #14 Public Service Comm | Oper | 2,509,079 | 2,334,926 | 10,225 | 2,345,151 | 2,359,563 | 0 | 2,359,563 | (174,153) | -6.9% | 24,637 | 1.1% |
| #14 Public Service Comm | Total | 2,509,079 | 2,334,926 | 10,225 | 2,345,151 | 2,359,563 | 0 | 2,359,563 | (174,153) | -6.9% | 24,637 | 1.1% |
| #15 Parole Board | Oper | 799,188 | 806,321 | 0 | 806,321 | 819,249 | 0 | 819,249 | 7,133 | 0.9% | 12,928 | 1.6% |
| #15 Parole Board | Total | 799,188 | 806,321 | 0 | 806,321 | 819,249 | 0 | 819,249 | 7,133 | 0.9% | 12,928 | 1.6% |
| #16 Revenue | Aid | 66,396,500 | 72,300,000 | (4,200,000) | 68,100,000 | 77,700,000 | (5,200,000) | 72,500,000 | 5,903,500 | 8.9% | 200,000 | 0.3% |
| #16 Revenue | Oper | 27,071,402 | 25,792,617 | 0 | 25,792,617 | 25,447,374 | 0 | 25,447,374 | (1,278,785) | -4.7% | (345,243) | -1.3% |
| #16 Revenue | Total | 93,467,902 | 98,092,617 | (4,200,000) | 93,892,617 | 103,147,374 | (5,200,000) | 97,947,374 | 4,624,715 | 4.9% | (145,243) | -0.1% |

| | | FY2010-11 w/o deficits | FY2011-12 | | | FY2012-13 | | | Change over Prior Year (excludes deficits) | | | |
|---------------------------|-------|---------------------------|---------------------|------------------|-----------------------------|---------------------|-----------------|-----------------------------|--|------------------|-------------------|------------------|
| | | | Per 2011 Session | 2012 Deficits | Revised Per 2012 Session | Per 2011 Session | 2012 Changes | Revised Per 2012 Session | FY12 \$ Change | FY12 % Change | FY13 \$ Change | FY13 % Change |
| | | | | | | | | | | | | |
| #18 Agriculture | Oper | 6,128,426 | 5,554,886 | 0 | 5,554,886 | 5,618,857 | 0 | 5,618,857 | (573,540) | -9.4% | 63,971 | 1.2% |
| #18 Agriculture | Total | 6,128,426 | 5,554,886 | 0 | 5,554,886 | 5,618,857 | 0 | 5,618,857 | (573,540) | -9.4% | 63,971 | 1.2% |
| #21 Fire Marshal | Oper | 4,293,454 | 3,934,637 | 0 | 3,934,637 | 3,991,920 | 0 | 3,991,920 | (358,817) | -8.4% | 57,283 | 1.5% |
| #21 Fire Marshal | Total | 4,293,454 | 3,934,637 | 0 | 3,934,637 | 3,991,920 | 0 | 3,991,920 | (358,817) | -8.4% | 57,283 | 1.5% |
| #23 Labor | Oper | 542,072 | 489,927 | 0 | 489,927 | 497,939 | 0 | 497,939 | (52,145) | -9.6% | 8,012 | 1.6% |
| #23 Labor | Total | 542,072 | 489,927 | 0 | 489,927 | 497,939 | 0 | 497,939 | (52,145) | -9.6% | 8,012 | 1.6% |
| #25 HHS System | Aid | 931,792,389 | 1,036,022,540 | 4,700,000 | 1,040,722,540 | 1,075,747,340 | 39,721,892 | 1,115,469,232 | 104,230,151 | 11.2% | 79,446,692 | 7.7% |
| #25 HHS System | Oper | 252,915,827 | 219,347,008 | 2,597,014 | 221,944,022 | 225,177,598 | 13,500,031 | 238,677,629 | (33,568,819) | -13.3% | 19,330,621 | 8.8% |
| #25 HHS System | Total | 1,184,708,216 | 1,255,369,548 | 7,297,014 | 1,262,666,562 | 1,300,924,938 | 53,221,923 | 1,354,146,861 | 70,661,332 | 6.0% | 98,777,313 | 7.9% |
| #27 Roads | Oper | 2,429 | 0 | 0 | 0 | 0 | 0 | 0 | (2,429) | -100.0% | 0 | na |
| #27 Roads | Total | 2,429 | 0 | 0 | 0 | 0 | 0 | 0 | (2,429) | -100.0% | 0 | na |
| #28 Veterans Affairs | Oper | 1,115,761 | 1,108,586 | 0 | 1,108,586 | 1,127,666 | 0 | 1,127,666 | (7,175) | -0.6% | 19,080 | 1.7% |
| #28 Veterans Affairs | Total | 1,115,761 | 1,108,586 | 0 | 1,108,586 | 1,127,666 | 0 | 1,127,666 | (7,175) | -0.6% | 19,080 | 1.7% |
| #29 Natural Resources | Aid | 7,611,628 | 5,958,361 | 0 | 5,958,361 | 5,958,361 | 0 | 5,958,361 | (1,653,267) | -21.7% | 0 | 0.0% |
| #29 Natural Resources | Oper | 9,304,414 | 10,286,686 | 0 | 10,286,686 | 10,397,171 | 0 | 10,397,171 | 982,272 | 10.6% | 110,485 | 1.1% |
| #29 Natural Resources | Total | 16,916,042 | 16,245,047 | 0 | 16,245,047 | 16,355,532 | 0 | 16,355,532 | (670,995) | -4.0% | 110,485 | 0.7% |
| #31 Military Dept | Aid | 988,775 | 988,775 | 8,900,000 | 9,888,775 | 988,775 | 0 | 988,775 | 0 | 0.0% | 0 | 0.0% |
| #31 Military Dept | Oper | 3,695,668 | 3,653,446 | 0 | 3,653,446 | 3,687,973 | 0 | 3,687,973 | (42,222) | -1.1% | 34,527 | 0.9% |
| #31 Military Dept | Total | 4,684,443 | 4,642,221 | 8,900,000 | 13,542,221 | 4,676,748 | 0 | 4,676,748 | (42,222) | -0.9% | 34,527 | 0.7% |
| #32 Ed Lands & Funds | Oper | 335,310 | 305,465 | 0 | 305,465 | 310,575 | 0 | 310,575 | (29,845) | -8.9% | 5,110 | 1.7% |
| #32 Ed Lands & Funds | Total | 335,310 | 305,465 | 0 | 305,465 | 310,575 | 0 | 310,575 | (29,845) | -8.9% | 5,110 | 1.7% |
| #33 Game & Parks | Aid | 44,222 | 42,011 | 0 | 42,011 | 42,011 | 0 | 42,011 | (2,211) | -5.0% | 0 | 0.0% |
| #33 Game & Parks | Oper | 11,507,092 | 10,709,153 | 51,000 | 10,760,153 | 10,833,605 | 0 | 10,833,605 | (797,939) | -6.9% | 124,452 | 1.2% |
| #33 Game & Parks | Total | 11,551,314 | 10,751,164 | 51,000 | 10,802,164 | 10,875,616 | 0 | 10,875,616 | (800,150) | -6.9% | 124,452 | 1.2% |
| #34 Library Commission | Aid | 1,131,378 | 1,043,240 | 0 | 1,043,240 | 1,043,240 | 0 | 1,043,240 | (88,138) | -7.8% | 0 | 0.0% |
| #34 Library Commission | Oper | 2,489,223 | 2,324,875 | 0 | 2,324,875 | 2,390,260 | 12,500 | 2,402,760 | (164,348) | -6.6% | 77,885 | 3.4% |
| #34 Library Commission | Total | 3,620,601 | 3,368,115 | 0 | 3,368,115 | 3,433,500 | 12,500 | 3,446,000 | (252,486) | -7.0% | 77,885 | 2.3% |
| #35 Liquor Control | Oper | 957,770 | 962,331 | 0 | 962,331 | 973,825 | 0 | 973,825 | 4,561 | 0.5% | 11,494 | 1.2% |
| #35 Liquor Control | Total | 957,770 | 962,331 | 0 | 962,331 | 973,825 | 0 | 973,825 | 4,561 | 0.5% | 11,494 | 1.2% |
| #46 Correctional Services | Aid | 3,640,210 | 0 | 0 | 0 | 0 | 0 | 0 | (3,640,210) | -100.0% | 0 | na |
| #46 Correctional Services | Oper | 142,575,132 | 156,102,931 | 0 | 156,102,931 | 157,059,844 | 0 | 157,059,844 | 13,527,799 | 9.5% | 956,913 | 0.6% |
| #46 Correctional Services | Total | 146,215,342 | 156,102,931 | 0 | 156,102,931 | 157,059,844 | 0 | 157,059,844 | 9,887,589 | 6.8% | 956,913 | 0.6% |

| | | FY2010-11 w/o deficits | FY2011-12 | | | FY2012-13 | | | Change over Prior Year (excludes deficits) | | | |
|----------------------------|-------|---------------------------|---------------------|------------------|-----------------------------|---------------------|-----------------|-----------------------------|--|----------|-----------|----------|
| | | | Per 2011 Session | 2012 Deficits | Revised Per 2012 Session | Per 2011 Session | 2012 Changes | Revised Per 2012 Session | FY12 | FY12 | FY13 | FY13 |
| | | | | | | | | | \$ Change | % Change | \$ Change | % Change |
| #47 NETC | Oper | 9,498,750 | 9,499,670 | 0 | 9,499,670 | 9,558,708 | 0 | 9,558,708 | 920 | 0.0% | 59,038 | 0.6% |
| #47 NETC | Total | 9,498,750 | 9,499,670 | 0 | 9,499,670 | 9,558,708 | 0 | 9,558,708 | 920 | 0.0% | 59,038 | 0.6% |
| #48 Coordinating Comm | Aid | 6,863,406 | 6,918,156 | 0 | 6,918,156 | 6,918,156 | 75,000 | 6,993,156 | 54,750 | 0.8% | 75,000 | 1.1% |
| #48 Coordinating Comm | Oper | 1,213,855 | 1,166,756 | 31,900 | 1,198,656 | 1,185,157 | 3,324 | 1,188,481 | (47,099) | -3.9% | 21,725 | 1.9% |
| #48 Coordinating Comm | Total | 8,077,261 | 8,084,912 | 31,900 | 8,116,812 | 8,103,313 | 78,324 | 8,181,637 | 7,651 | 0.1% | 96,725 | 1.2% |
| #50 State Colleges | Oper | 45,369,972 | 44,846,037 | 0 | 44,846,037 | 45,450,893 | 0 | 45,450,893 | (523,935) | -1.2% | 604,856 | 1.3% |
| #50 State Colleges | Total | 45,369,972 | 44,846,037 | 0 | 44,846,037 | 45,450,893 | 0 | 45,450,893 | (523,935) | -1.2% | 604,856 | 1.3% |
| #51 University of Nebraska | Oper | 494,720,104 | 491,278,349 | 0 | 491,278,349 | 497,771,940 | 0 | 497,771,940 | (3,441,755) | -0.7% | 6,493,591 | 1.3% |
| #51 University of Nebraska | Total | 494,720,104 | 491,278,349 | 0 | 491,278,349 | 497,771,940 | 0 | 497,771,940 | (3,441,755) | -0.7% | 6,493,591 | 1.3% |
| #54 Historical Society | Oper | 4,194,912 | 3,797,693 | 59,012 | 3,856,705 | 3,853,605 | 61,720 | 3,915,325 | (397,219) | -9.5% | 117,632 | 3.1% |
| #54 Historical Society | Total | 4,194,912 | 3,797,693 | 59,012 | 3,856,705 | 3,853,605 | 61,720 | 3,915,325 | (397,219) | -9.5% | 117,632 | 3.1% |
| #64 State Patrol | Oper | 55,891,491 | 53,690,860 | 0 | 53,690,860 | 54,253,448 | 0 | 54,253,448 | (2,200,631) | -3.9% | 562,588 | 1.0% |
| #64 State Patrol | Total | 55,891,491 | 53,690,860 | 0 | 53,690,860 | 54,253,448 | 0 | 54,253,448 | (2,200,631) | -3.9% | 562,588 | 1.0% |
| #65 Admin Services (DAS) | Oper | 8,020,421 | 7,327,181 | 0 | 7,327,181 | 7,638,096 | 0 | 7,638,096 | (693,240) | -8.6% | 310,915 | 4.2% |
| #65 Admin Services (DAS) | Total | 8,020,421 | 7,327,181 | 0 | 7,327,181 | 7,638,096 | 0 | 7,638,096 | (693,240) | -8.6% | 310,915 | 4.2% |
| #67 Equal Opportunity | Oper | 1,276,113 | 1,152,618 | 0 | 1,152,618 | 1,178,277 | 0 | 1,178,277 | (123,495) | -9.7% | 25,659 | 2.2% |
| #67 Equal Opportunity | Total | 1,276,113 | 1,152,618 | 0 | 1,152,618 | 1,178,277 | 0 | 1,178,277 | (123,495) | -9.7% | 25,659 | 2.2% |
| #68 Mexican-American | Oper | 195,837 | 175,950 | 0 | 175,950 | 178,681 | 0 | 178,681 | (19,887) | -10.2% | 2,731 | 1.6% |
| #68 Mexican-American | Total | 195,837 | 175,950 | 0 | 175,950 | 178,681 | 0 | 178,681 | (19,887) | -10.2% | 2,731 | 1.6% |
| #69 Arts Council | Aid | 847,854 | 838,069 | 0 | 838,069 | 838,069 | 0 | 838,069 | (9,785) | -1.2% | 0 | 0.0% |
| #69 Arts Council | Oper | 585,033 | 529,648 | 0 | 529,648 | 538,267 | 0 | 538,267 | (55,385) | -9.5% | 8,619 | 1.6% |
| #69 Arts Council | Total | 1,432,887 | 1,367,717 | 0 | 1,367,717 | 1,376,336 | 0 | 1,376,336 | (65,170) | -4.5% | 8,619 | 0.6% |
| #70 Foster Care Review | Oper | 1,357,694 | 1,355,920 | 0 | 1,355,920 | 1,379,348 | 0 | 1,379,348 | (1,774) | -0.1% | 23,428 | 1.7% |
| #70 Foster Care Review | Total | 1,357,694 | 1,355,920 | 0 | 1,355,920 | 1,379,348 | 0 | 1,379,348 | (1,774) | -0.1% | 23,428 | 1.7% |
| #72 Economic Development | Aid | 1,545,922 | 7,200,000 | 0 | 7,200,000 | 7,200,000 | 156,396 | 7,356,396 | 5,654,078 | 365.7% | 156,396 | 2.2% |
| #72 Economic Development | Oper | 4,754,074 | 4,457,423 | 0 | 4,457,423 | 4,507,955 | (156,396) | 4,351,559 | (296,651) | -6.2% | (105,864) | -2.4% |
| #72 Economic Development | Total | 6,299,996 | 11,657,423 | 0 | 11,657,423 | 11,707,955 | 0 | 11,707,955 | 5,357,427 | 85.0% | 50,532 | 0.4% |
| #76 Indian Commission | Oper | 223,535 | 179,486 | 0 | 179,486 | 167,410 | 0 | 167,410 | (44,049) | -19.7% | (12,076) | -6.7% |
| #76 Indian Commission | Total | 223,535 | 179,486 | 0 | 179,486 | 167,410 | 0 | 167,410 | (44,049) | -19.7% | (12,076) | -6.7% |
| #77 Industrial Relations | Oper | 309,981 | 281,161 | 18,600 | 299,761 | 284,108 | 18,600 | 302,708 | (28,820) | -9.3% | 21,547 | 7.7% |
| #77 Industrial Relations | Total | 309,981 | 281,161 | 18,600 | 299,761 | 284,108 | 18,600 | 302,708 | (28,820) | -9.3% | 21,547 | 7.7% |

| | | FY2010-11 w/o deficits | FY2011-12 | | | FY2012-13 | | | Change over Prior Year (excludes deficits) | | | |
|-------------------------------|-------|---------------------------|---------------------|------------------|-----------------------------|---------------------|-----------------|-----------------------------|--|----------|-------------|----------|
| | | | Per 2011 Session | 2012 Deficits | Revised Per 2012 Session | Per 2011 Session | 2012 Changes | Revised Per 2012 Session | FY12 | FY12 | FY13 | FY13 |
| | | | | | | | | | \$ Change | % Change | \$ Change | % Change |
| #78 Crime Commission | Aid | 2,166,328 | 2,301,403 | 0 | 2,301,403 | 2,301,403 | 0 | 2,301,403 | 135,075 | 6.2% | 0 | 0.0% |
| #78 Crime Commission | Oper | 8,722,109 | 3,243,305 | 0 | 3,243,305 | 3,272,518 | 0 | 3,272,518 | (5,478,804) | -62.8% | 29,213 | 0.9% |
| #78 Crime Commission | Total | 10,888,437 | 5,544,708 | 0 | 5,544,708 | 5,573,921 | 0 | 5,573,921 | (5,343,729) | -49.1% | 29,213 | 0.5% |
| #81 Blind & Visually Impaired | Aid | 176,890 | 176,890 | 0 | 176,890 | 176,890 | 0 | 176,890 | 0 | 0.0% | 0 | 0.0% |
| #81 Blind & Visually Impaired | Oper | 835,295 | 837,324 | 0 | 837,324 | 846,113 | 0 | 846,113 | 2,029 | 0.2% | 8,789 | 1.0% |
| #81 Blind & Visually Impaired | Total | 1,012,185 | 1,014,214 | 0 | 1,014,214 | 1,023,003 | 0 | 1,023,003 | 2,029 | 0.2% | 8,789 | 0.9% |
| #82 Deaf & Hard of Hearing | Oper | 836,115 | 838,373 | 0 | 838,373 | 848,782 | 0 | 848,782 | 2,258 | 0.3% | 10,409 | 1.2% |
| #82 Deaf & Hard of Hearing | Total | 836,115 | 838,373 | 0 | 838,373 | 848,782 | 0 | 848,782 | 2,258 | 0.3% | 10,409 | 1.2% |
| #83 Community Colleges | Aid | 86,758,025 | 86,758,025 | 0 | 86,758,025 | 87,870,147 | 0 | 87,870,147 | 0 | 0.0% | 1,112,122 | 1.3% |
| #83 Community Colleges | Total | 86,758,025 | 86,758,025 | 0 | 86,758,025 | 87,870,147 | 0 | 87,870,147 | 0 | 0.0% | 1,112,122 | 1.3% |
| #84 Environmental Quality | Aid | 4,304,996 | 2,638,396 | 0 | 2,638,396 | 2,446,846 | 0 | 2,446,846 | (1,666,600) | -38.7% | (191,550) | -7.3% |
| #84 Environmental Quality | Oper | 3,264,821 | 5,279,921 | 0 | 5,279,921 | 3,323,012 | 0 | 3,323,012 | 2,015,100 | 61.7% | (1,956,909) | -37.1% |
| #84 Environmental Quality | Total | 7,569,817 | 7,918,317 | 0 | 7,918,317 | 5,769,858 | 0 | 5,769,858 | 348,500 | 4.6% | (2,148,459) | -27.1% |
| #85 Retirement Board | Oper | 27,420,010 | 28,344,698 | 0 | 28,344,698 | 29,629,917 | 361,408 | 29,991,325 | 924,688 | 3.4% | 1,646,627 | 5.8% |
| #85 Retirement Board | Total | 27,420,010 | 28,344,698 | 0 | 28,344,698 | 29,629,917 | 361,408 | 29,991,325 | 924,688 | 3.4% | 1,646,627 | 5.8% |
| #87 Account/Disclosure | Oper | 410,932 | 401,814 | 0 | 401,814 | 407,548 | 0 | 407,548 | (9,118) | -2.2% | 5,734 | 1.4% |
| #87 Account/Disclosure | Total | 410,932 | 401,814 | 0 | 401,814 | 407,548 | 0 | 407,548 | (9,118) | -2.2% | 5,734 | 1.4% |
| #93 Tax Equal/Review Comm | Oper | 815,044 | 694,660 | 0 | 694,660 | 683,640 | 0 | 683,640 | (120,384) | -14.8% | (11,020) | -1.6% |
| #93 Tax Equal/Review Comm | Total | 815,044 | 694,660 | 0 | 694,660 | 683,640 | 0 | 683,640 | (120,384) | -14.8% | (11,020) | -1.6% |
| Capital Construction | Const | 13,802,233 | 14,027,233 | 0 | 14,027,233 | 14,602,233 | 6,170,000 | 20,772,233 | 225,000 | 1.6% | 6,745,000 | 48.1% |
| OPERATIONS | | 1,253,663,584 | 1,225,276,661 | 4,372,751 | 1,229,649,412 | 1,238,989,707 | 13,896,187 | 1,252,885,894 | (28,386,923) | -2.3% | 27,609,233 | 2.3% |
| STATE AID | | 2,137,635,475 | 2,231,228,035 | 9,400,000 | 2,240,628,035 | 2,337,239,239 | 7,178,412 | 2,344,417,651 | 93,592,560 | 4.4% | 113,189,616 | 5.1% |
| CONSTRUCTION | | 13,802,233 | 14,027,233 | 0 | 14,027,233 | 14,602,233 | 6,170,000 | 20,772,233 | 225,000 | 1.6% | 6,745,000 | 48.1% |
| TOTAL GENERAL FUNDS | | 3,405,101,292 | 3,470,531,929 | 13,772,751 | 3,484,304,680 | 3,590,831,179 | 27,244,599 | 3,618,075,778 | 65,430,637 | 1.9% | 147,543,849 | 4.3% |

Appendix C

General Fund Appropriations by State Aid Program

| | | FY2010-11 w/o Deficits | FY2011-12 | | | FY2012-13 | | | Change over Prior Year (exclude deficits) | | | |
|---------------|------------------------------------|------------------------------|---------------------|------------------|-------------------------|------------------|----------------|-------------------------|---|------------------|-------------------|------------------|
| | | | Per 2011 Session | 2012 Deficits | Revised 2012 Session | Per 2011 Sess | 2012 Change | Revised 2012 Session | FY12 \$ Change | FY12 % Change | FY13 \$ Change | FY13 % Change |
| Treasurer | Aid to NRD's | 1,436,069 | 0 | 0 | 0 | 0 | 0 | 0 | (1,436,069) | -100.0% | 0 | na |
| Treasurer | Aid to Cities | 10,964,566 | 0 | 0 | 0 | 0 | 0 | 0 | (10,964,566) | -100.0% | 0 | na |
| Treasurer | Aid to Counties | 4,623,222 | 0 | 0 | 0 | 0 | 0 | 0 | (4,623,222) | -100.0% | 0 | na |
| Education | State Aid to Education (TEEOSA) | 796,734,560 | 804,689,087 | 0 | 804,689,087 | 864,654,919 | (27,574,876) | 837,080,043 | 7,954,527 | 1.0% | 32,390,956 | 4.0% |
| Education | Special Education | 184,893,842 | 184,893,842 | 0 | 184,893,842 | 184,893,842 | 0 | 184,893,842 | 0 | 0.0% | 0 | 0.0% |
| Education | Aid to ESU's | 14,791,327 | 14,051,761 | 0 | 14,051,761 | 14,051,761 | 0 | 14,051,761 | (739,566) | -5.0% | 0 | 0.0% |
| Education | High ability learner programs | 2,175,673 | 0 | 0 | 0 | 0 | 0 | 0 | (2,175,673) | -100.0% | 0 | na |
| Education | Early Childhood program | 3,365,962 | 0 | 0 | 0 | 0 | 0 | 0 | (3,365,962) | -100.0% | 0 | na |
| Education | School Lunch | 392,032 | 392,032 | 0 | 392,032 | 392,032 | 0 | 392,032 | 0 | 0.0% | 0 | 0.0% |
| Education | Textbook loan program | 465,500 | 465,500 | 0 | 465,500 | 465,500 | 0 | 465,500 | 0 | 0.0% | 0 | 0.0% |
| Education | School Breakfast reimbursement | 427,260 | 453,008 | 0 | 453,008 | 453,008 | 0 | 453,008 | 25,748 | 6.0% | 0 | 0.0% |
| Education | Adult Education | 214,664 | 214,664 | 0 | 214,664 | 214,664 | 0 | 214,664 | 0 | 0.0% | 0 | 0.0% |
| Education | Learning Communities Aid | 882,275 | 882,275 | 0 | 882,275 | 882,275 | 0 | 882,275 | 0 | 0.0% | 0 | 0.0% |
| Education | Vocational Rehabilitation | 2,000,000 | 2,000,000 | 0 | 2,000,000 | 2,000,000 | 0 | 2,000,000 | 0 | 0.0% | 0 | 0.0% |
| Revenue | County Property Tax Relief | 1,396,500 | 0 | 0 | 0 | 0 | 0 | 0 | (1,396,500) | -100.0% | 0 | na |
| Revenue | Homestead Exemption | 65,000,000 | 72,300,000 | (4,200,000) | 68,100,000 | 77,700,000 | (5,200,000) | 72,500,000 | 7,300,000 | 11.2% | 200,000 | 0.3% |
| HHS System | Behavioral Health Aid | 74,721,481 | 74,810,767 | (3,700,000) | 71,110,767 | 74,952,023 | 181,196 | 75,133,219 | 89,286 | 0.1% | 322,452 | 0.4% |
| HHS System | Medical student assistance/RHOP | 637,086 | 637,086 | 0 | 637,086 | 637,086 | 0 | 637,086 | 0 | 0.0% | 0 | 0.0% |
| HHS System | Childrens Health Insurance | 11,634,438 | 9,932,192 | (1,300,000) | 8,632,192 | 13,036,419 | (702,050) | 12,334,369 | (1,702,246) | -14.6% | 2,402,177 | 24.2% |
| HHS System | Public Assistance | 248,124,986 | 239,522,936 | 27,295,642 | 266,818,578 | 243,518,332 | 18,846,551 | 262,364,883 | (8,602,050) | -3.5% | 22,841,947 | 9.5% |
| HHS System | Medicaid | 489,426,763 | 599,909,134 | (17,595,642) | 582,313,492 | 630,241,604 | 16,331,590 | 646,573,194 | 110,482,371 | 22.6% | 46,664,060 | 7.8% |
| HHS System | Community develop disabilities aid | 90,573,431 | 94,652,981 | 0 | 94,652,981 | 96,804,432 | 5,073,939 | 101,878,371 | 4,079,550 | 4.5% | 7,225,390 | 7.6% |
| HHS System | Community health centers | 3,867,394 | 3,767,394 | 0 | 3,767,394 | 3,767,394 | (9,334) | 3,758,060 | (100,000) | -2.6% | (9,334) | -0.2% |
| HHS System | Public Health Aid | 4,807,372 | 4,790,612 | 0 | 4,790,612 | 4,790,612 | 0 | 4,790,612 | (16,760) | -0.3% | 0 | 0.0% |
| HHS System | Care Management | 2,033,123 | 2,033,123 | 0 | 2,033,123 | 2,033,123 | 0 | 2,033,123 | 0 | 0.0% | 0 | 0.0% |
| HHS System | Area agencies on aging | 5,966,315 | 5,966,315 | 0 | 5,966,315 | 5,966,315 | 0 | 5,966,315 | 0 | 0.0% | 0 | 0.0% |
| Nat Resources | Nebr Water Conservation Fund | 2,318,036 | 2,318,036 | 0 | 2,318,036 | 2,318,036 | 0 | 2,318,036 | 0 | 0.0% | 0 | 0.0% |
| Nat Resources | Resources Development Fund | 3,140,325 | 3,140,325 | 0 | 3,140,325 | 3,140,325 | 0 | 3,140,325 | 0 | 0.0% | 0 | 0.0% |
| Nat Resources | NRD Water Management grants | 2,153,267 | 500,000 | 0 | 500,000 | 500,000 | 0 | 500,000 | (1,653,267) | -76.8% | 0 | 0.0% |
| Military Dept | Governors Emergency Fund | 500,000 | 500,000 | 8,900,000 | 9,400,000 | 500,000 | 0 | 500,000 | 0 | 0.0% | 0 | 0.0% |
| Military Dept | Guard tuition assistance | 488,775 | 488,775 | 0 | 488,775 | 488,775 | 0 | 488,775 | 0 | 0.0% | 0 | 0.0% |

| | | FY2010-11 w/o Deficits | FY2011-12 | | | FY2012-13 | | | Change over Prior Year (exclude deficits) | | | |
|-----------------|--------------------------------------|------------------------------|---------------------|------------------|-------------------------|------------------|----------------|-------------------------|---|------------------|-------------------|------------------|
| | | | Per 2011 Session | 2012 Deficits | Revised 2012 Session | Per 2011 Sess | 2012 Change | Revised 2012 Session | FY12 \$ Change | FY12 % Change | FY13 \$ Change | FY13 % Change |
| | | | | | | | | | | | | |
| Game & Parks | Niobrara Council | 44,222 | 42,011 | 0 | 42,011 | 42,011 | 0 | 42,011 | (2,211) | -5.0% | 0 | 0.0% |
| Library Comm | Local libraries | 1,131,378 | 1,043,240 | 0 | 1,043,240 | 1,043,240 | 0 | 1,043,240 | (88,138) | -7.8% | 0 | 0.0% |
| Corrections | County jail cost reimbursement | 3,640,210 | 0 | 0 | 0 | 0 | 0 | 0 | (3,640,210) | -100.0% | 0 | na |
| Coord. Comm | Nebr Scholarship Program | 6,418,156 | 6,418,156 | 0 | 6,418,156 | 6,418,156 | 0 | 6,418,156 | 0 | 0.0% | 0 | 0.0% |
| Coord. Comm | Access College Early Scholarship | 445,250 | 500,000 | 0 | 500,000 | 500,000 | 75,000 | 575,000 | 54,750 | 12.3% | 75,000 | 15.0% |
| Arts Council | Aid to arts programs | 661,654 | 595,489 | 0 | 595,489 | 595,489 | 0 | 595,489 | (66,165) | -10.0% | 661,654 | 595,489 |
| Arts Council | Council on Humanities | 186,200 | 167,580 | 0 | 167,580 | 167,580 | 0 | 167,580 | (18,620) | -10.0% | 186,200 | 167,580 |
| Arts Council | Managing Mainstreet | 0 | 75,000 | 0 | 75,000 | 75,000 | 0 | 75,000 | 75,000 | na | 0 | 75,000 |
| Econ Develop | Managing Mainstreet | 93,100 | 0 | 0 | 0 | 0 | 0 | 0 | (93,100) | -100.0% | 93,100 | 0 |
| Econ Develop | Microenterprise Development Act | 463,172 | 0 | 0 | 0 | 0 | 0 | 0 | (463,172) | -100.0% | 463,172 | 0 |
| Econ Develop | Ag Opportunities/Value-Added grants | 850,000 | 0 | 0 | 0 | 0 | 0 | 0 | (850,000) | -100.0% | 850,000 | 0 |
| Econ Develop | Building Entrepreneurial Communities | 139,650 | 0 | 0 | 0 | 0 | 0 | 0 | (139,650) | -100.0% | 139,650 | 0 |
| Econ Develop | Business Innovation Act | 0 | 7,000,000 | 0 | 7,000,000 | 7,000,000 | 156,396 | 7,156,396 | 7,000,000 | na | 0 | 7,000,000 |
| Econ Develop | Small Business Innovation Act | 0 | 200,000 | 0 | 200,000 | 200,000 | 0 | 200,000 | 200,000 | na | 0 | 200,000 |
| Crime Comm | Juvenile services grants | 587,812 | 587,812 | 0 | 587,812 | 587,812 | 0 | 587,812 | 0 | 0.0% | 0 | 0.0% |
| Crime Comm | County Juvenile Services aid | 1,492,500 | 1,477,575 | 0 | 1,477,575 | 1,477,575 | 0 | 1,477,575 | (14,925) | -1.0% | 0 | 0.0% |
| Crime Comm | Crimestoppers program | 13,457 | 13,457 | 0 | 13,457 | 13,457 | 0 | 13,457 | 0 | 0.0% | 0 | 0.0% |
| Crime Comm | Victim Witness assistance | 52,559 | 52,559 | 0 | 52,559 | 52,559 | 0 | 52,559 | 0 | 0.0% | 0 | 0.0% |
| Crime Comm | Crime Victims reparations | 20,000 | 20,000 | 0 | 20,000 | 20,000 | 0 | 20,000 | 0 | 0.0% | 0 | 0.0% |
| Crime Comm | Violence Prevention Grants | 0 | 150,000 | 0 | 150,000 | 150,000 | 0 | 150,000 | 150,000 | na | 0 | 0.0% |
| Blind & Vis Imp | Blind rehabilitation | 176,890 | 176,890 | 0 | 176,890 | 176,890 | 0 | 176,890 | 0 | 0.0% | 0 | 0.0% |
| Comm Colleges | Aid to Community Colleges | 86,758,025 | 86,758,025 | 0 | 86,758,025 | 87,870,147 | 0 | 87,870,147 | 0 | 0.0% | 1,112,122 | 1.3% |
| Environ Cntrl | Superfund cleanup | 1,980,000 | 813,400 | 0 | 813,400 | 621,850 | 0 | 621,850 | (1,166,600) | -58.9% | (191,550) | -23.5% |
| Environ Cntrl | Storm Water Management grants | 2,324,996 | 1,824,996 | 0 | 1,824,996 | 1,824,996 | 0 | 1,824,996 | (500,000) | -21.5% | 0 | 0.0% |
| | Individuals/Other | 946,598,966 | 1,057,283,733 | 4,700,000 | 1,061,983,733 | 1,097,008,533 | 39,953,288 | 1,136,961,821 | 110,684,767 | 11.7% | 79,678,088 | 7.5% |
| | Local Government | 1,191,036,509 | 1,173,944,302 | 4,700,000 | 1,178,644,302 | 1,240,230,706 | (32,774,876) | 1,207,455,830 | (17,092,207) | -1.4% | 33,511,528 | 2.9% |
| | Total General Fund State Aid | 2,137,635,475 | 2,231,228,035 | 9,400,000 | 2,240,628,035 | 2,337,239,239 | 7,178,412 | 2,344,417,651 | 93,592,560 | 4.4% | 113,189,616 | 5.1% |